

**COUNTY OF MILWAUKEE**  
**INTER-OFFICE COMMUNICATION**

DATE : October 5, 2006

TO : Milwaukee County Board of Supervisors

FROM : County Board Research Division

SUBJECT: **Overview of County Executive's 2007 Recommended Budget**

Attached is the County Board Research Division's overview of the County Executive's 2007 Recommended Budget. This overview consists of the following five sections:

- 1) **Section 1** is a **General Overview** of the Recommended Budget.
- 2) **Section 2** consists of a spreadsheet that shows **Tax Levy Changes** for each Organizational Unit, comparing the 2007 Recommended Budget with the 2006 Adopted Budget.
- 3) **Section 3** provides a summary of **Major Changes**, including policy changes, proposed by the County Executive in the 2007 Recommended Budget.
- 4) **Section 4** is a listing and brief description of **Additional Issues/Concerns/Questions** noted by County Board staff regarding the proposed budget.
- 5) **Section 5** is the **Capital Improvements** section, which summarizes the capital improvement projects proposed by the County Executive.

This overview should not be construed as a complete and thorough analysis of the Recommended Budget. Although changes in departmental appropriations and revenues are generally clear, the corresponding impact on programs and services is not always as apparent. This overview has been prepared as an initial analysis that highlights the major policy and budget changes proposed by the County Executive and it is intended solely to assist County Board members and other interested parties in their understanding of the budget. The Finance and Audit Committee will begin its formal review of all budgets as a full committee beginning October 6th.

County Board Research Staff

Steve Cady, Fiscal and Budget Analyst  
Glenn Bultman, Research Analyst  
Rick Ceschin, Research Analyst  
Brian Dranzik, Research Analyst  
Julie Esch, Research Analyst  
Martin Weddle, Research Analyst

Nancy Sebastian, Support Services  
Terrence Cooley, Chief of Staff

---

## **SECTION 1 –GENERAL OVERVIEW 2007 RECOMMENDED BUDGET**

### **Fiscal Synopsis**

The County Executive's 2007 Recommended Milwaukee County Budget calls for total expenditures of \$1,263,292,227, an increase of \$4,417,229, or 0.35%, over the 2006 Adopted County Budget. The recommended property tax levy is \$232,592,517, the same as the 2006 levy. The recommended tax levy is comprised of two components: debt service levy of \$44,560,240 and operating levy of \$188,032,277. The recommended operating levy would leave the County \$9,822,237 under the new State-imposed tax levy cap according to DAS-Fiscal calculations.

The tax rate for the City of Milwaukee for general county purposes would be \$4.02 per \$1,000 of assessed value, a decrease of 40 cents from the 2006 rate. Rates for other municipalities will vary and are unknown at this time. The equalized tax rate for Milwaukee County is \$3.77, a decrease of 46 cents from the 2006 Adopted Budget.

The Recommended Budget uses \$28.9 million in General Obligation bonds for non-Airport projects, a \$2.3 million decrease from the 2006 Adopted Budget amount. This amount is \$1.1 million under the debt management goal established as part of the 2003 debt restructuring, based on a not-to-exceed amount of \$30 million for the 2008 budget. *(See Capital Improvements later in Section 1 of the Overview)*

### **Tax Levy/Rate Caps**

The 2007 Recommended Budget is submitted in the second year of a new state-imposed tax levy cap in addition to the existing tax levy rate cap that was imposed in 1993. The tax levy rate cap imposed in 1993 was the 1992 actual tax rate adopted for the 1993 budget. For Milwaukee County, this resulted in a combined rate of \$5.508 per \$1,000 of equalized value, which includes an operating rate of \$4.084 and a debt levy rate of \$1.424. The tax levy cap adjustment is related to changes in equalized values.

The new, more restrictive tax levy cap, effective July 27, 2005 with passage of the State 2005-07 Biennial Budget, limits the levy increase to the political subdivision's valuation factor. The valuation factor means a percentage equal to the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed ("net new construction") between the previous year and the current year but not less than 2%. In other words, Milwaukee County is permitted to increase its tax levy a maximum of the percentage increase of net new construction or 2%, whichever is higher. The 2005 tax levy cap statute language combines debt and operating tax levies and provides some specific exceptions. The one exception applicable for Milwaukee County excludes the change in debt service attributable to debt issued prior to July 1, 2005 from the new cap. The Department of Revenue recently reported that the net new construction percentage for Milwaukee County did exceed 2% (2.55%), therefore the allowable tax levy limit increase is 2.55% plus the debt levy adjustment. DAS-Fiscal staff, working in conjunction with outside bond counsel, has calculated the maximum tax levy permitted under the law to be \$9,822,237 above the 2007 Recommended Budget amount.

### **Overall Analysis**

Considerable attention has been focused this year on Milwaukee County's current and projected fiscal situation. The County Executive warned of "potential insolvency" while speaking on what has been termed his "doom and gloom tour." The County's financial position has also been termed as a move toward "insolvency" by a former State Cabinet official, "the county at the crossroads" by the local daily

newspaper, and a “fiscal crisis” by a task force of the Greater Milwaukee Committee. Even the Governor of Wisconsin has used the “B word” – “bankruptcy” – in his announcement that he was creating a State Task Force on Milwaukee County Finances. Others contend that this year is not really that different from previous years, when county government found myriad ways to fix projected fiscal problems and continue to provide services and programs to the citizens of the county.

While Milwaukee County clearly faces major fiscal challenges, the truth about county finances probably lies somewhere between “business as usual” and “bankruptcy.” Yes, Milwaukee County has a financial problem brought on in part because of spiraling health care costs and retirement benefits that need to be addressed.

But the root of this problem also rests in other areas, one of the most notable being the continued – and increasing – cost to the local property taxpayer of services mandated but not fully funded by State government. These services include county services to the State Court system, income maintenance services to the economically disadvantaged, juvenile corrections and county patrol of the State freeway system in Milwaukee County. Clearly, though the county is statutorily an administrative arm of the State, the State’s lack of sufficient funding of mandated services over an extended period of time has not demonstrated an appreciation of the county’s role in fulfilling what are essentially State obligations.

These issues – rising health care and retirement benefits, and unfunded State mandates, along with the County Executive’s consistent goal of a zero property tax levy increase in the face of rising costs to continue programs – are at the crux of the 2007 Recommended Budget. The County Executive proposes to “freeze” the 2007 tax levy to the 2006 *Adopted amount*, which represents an increase of approximately \$6.7 million over 2005. Therefore, the proposed tax levy for 2007 appears to now acknowledge that the increase approved for 2006 – over the County Executive’s earlier objections -- was necessary and reasonable to properly provide County programs and services.

The 2007 Recommended Budget contains significant borrowing to fund pension liabilities, numerous program and service eliminations and reductions, as well as privatization and other restructuring initiatives, along with the abolishment or unfunding of hundreds of county positions to address these fiscal challenges.

A more in-depth analysis of the major fiscal policy initiatives recommended by the County Executive is as follows:

❑ **Reduction in Positions**

The 2007 Recommended Budget continues the trend to reduce the number of funded positions in order to reduce the tax levy. The 2006 Adopted Budget included 6,026 funded full-time equivalent (FTE) positions. The 2007 Recommended Budget includes 5,632 funded FTE’s, a reduction of 394 from the 2006 amount. According to preliminary information provided by the Director of Human Resources, there are a total of 565 positions either abolished or unfunded. Of these, approximately 316 are currently vacant. Of the remaining 249 positions, 75 are Deputy Sheriff 1 positions that may be partially double counted as part of an initiative contained in the 2005 Adopted Budget to abolish 200 Deputy Sheriff 1 positions, upon vacancy, and replace them with Correction Officer 1 positions. Setting these positions aside for a moment, that leaves 174 filled positions that may be subject to layoff. It should be noted that the actual number of layoffs cannot be determined at this time due to further attrition and retirements, and may be subject to rules governing represented employees contained in various labor agreements.

It should also be noted that the 2007 Recommended Budget creates 86 new positions, although 42 are associated with the Correctional Officer 1 initiative noted above.

## ❑ Pension Obligation Bonds

For 2007, the actuarial required contribution to the pension fund is \$59,015,000, which is comprised of \$25,473,000 in normal cost (current service cost) and \$33,542,000 for the unfunded liability. The 2006 Budget provided an appropriation of \$27.4 million toward a total actuarial required contribution of \$45.9 million.

Since the beginning of 2004, the unfunded liability of the pension fund has grown \$193,747,000, from \$261,273,000 to \$455,020,000. This increase is due to a myriad of factors, including past benefit enhancements, market investment losses, previous pension contribution under funding and changes in the actuarial assumptions. The most notable assumption change was the reduction in the assumed rate of return of future investment earnings from 8.5% to 8%. Other changes, such as lowering the payroll growth assumption from 5.5% to 3.5% (which affects how the unfunded liability is amortized), changing the disability assumptions and changing the backdrop utilization rate also increased the annual required contribution to the pension fund.

For 2007, the County Executive resurrects a proposal first offered in the 2005 Recommended Budget to issue pension obligation bonds to address the unfunded liability of the County Employees' Retirement System. At that time, policymakers declined to adopt the proposal, which would have led to the issuance of \$261 million of pension obligation bonds and required a change in State law to permit a debt amortization longer than the current 20-year limit. In the Spring of 2005, Milwaukee County voters also rejected an advisory referendum, by a vote of 57% to 43%, to issue up to \$261 million in pension obligation bonds "for the public purpose of paying unfunded prior service liability contributions under the County's retirement system."

An unfunded actuarial accrued liability for pension benefits generally represents the difference between the present value of all benefits estimated to be payable to pension plan members as a result of their service through the valuation date and their expected future service, and the actuarial value of plan assets available to pay those benefits. This amount changes over time as a result of changes in accrued benefits, pay levels, rates of return on investment, changes in actuarial assumptions, and the demographics of the employee base. The County normally reduces its unfunded actuarial pension liability over time as part of the annual required pension contribution. From a purely financial perspective, issuing pension obligation bonds can produce savings if the interest rate paid on the bonds is less than the rate of return earned on the proceeds placed in the pension plan.<sup>1</sup>

It bears repeating some of the staff concerns raised two years ago about the policy decision to issue pension obligation bonds. Some people have stated that issuing a Pension Obligation Bond (POB) is similar to refinancing a debt that carries a high interest rate with one that carries a lower interest rate. Contrary to a recent Greater Milwaukee Committee report on Milwaukee County's finances, it is really not a very simple matter. The long-term actual investment performance of the retirement plan is what determines the final savings or cost of issuing the POB. Issuing a POB will usually produce a near-term reduction in the contributions to the retirement plan, but it is not possible to know in advance whether the POB will produce any long-term savings at all. Issuing a POB is a financial investment, and like any other, it involves investment risk.<sup>2</sup> It also substitutes a "soft" liability to fund the pension with a "hard" liability to make debt service payments to pension obligation bond owners. The County Executive's 2007 POB plan, however, attempts to address some of the concerns that were raised two years ago by not "front-loading" the projected pension contribution savings in the budget and establishing a stabilization fund to protect against investment losses that could result in the development of a new unfunded liability.

---

<sup>1</sup> From GFOA Recommended Practice, *Evaluating the Use of Pension Obligation Bonds*, January 2003.

<sup>2</sup> From GRS Insight, *Questions to Consider Before Issuing Pension Obligation Bonds*, February 2004.

The 2007 Recommended Budget includes \$6.25 million in savings from issuing a POB to fund the County Employee Retirement Systems' Unfunded Actuarial Accrued Liability (UAAL). Based on information provided by DAS-Fiscal Affairs to County Board staff, there are several ways a potential pension obligation bond could be structured. One scenario presented provides "level" budget savings in each year with the establishment of a stabilization fund in year one with the issuance of the pension obligation bonds. (Debt service payments would not begin until year two, thus the ability to pre-fund the stabilization fund with approximately \$27 million.) Suggestions were also made that the borrowed funds could be managed outside the control of the Pension Board and invested in such a manner as to maximize the rate of return on the borrowed funds. The stabilization fund, on the other hand, would be invested in a more conservative manner in order to ensure the fund is not depleted due to investment losses. Due to the lack of specific details in the Recommended Budget, the potential structure of the proposed pension obligation bond issuance needs to be further probed.

It should be clear, however, that several hurdles remain even if policymakers approve the pension obligation bond proposal as part of the 2007 Adopted Budget. This includes State Legislature approval to issue debt for 30-years (to match the current amortization period of the unfunded liability) and, potentially, allow the County to use financing methods not currently authorized. Moreover, the cost to borrow the funds in 2007, as determined by the credit markets, will determine if it is still financially viable to move forward.

Given all of the variables mentioned, staff strongly recommends that the potential use of pension obligation bonds be carefully considered and analyzed – in much more detail than this report can provide – by County staff working with outside professionals to explain the fiscal and legal implications of such an initiative. While the use of POB's may be a legitimate tool to reduce pension contribution requirements, it should only be approved after a complete understanding of all of the potential risks and possible rewards that accompany it, and until the short and long-term fiscal impacts are clearly identified.

#### ❑ **Other Post Employment Benefits (OPEB)**

Milwaukee County recently received an actuarial analysis of its post-employment benefits for health care and life insurance. That analysis indicated that Milwaukee County has an OPEB present value liability of approximately \$1.38 billion. This does not include the Milwaukee County Transit System that obtained a separate actuarial analysis of its liability. Per the requirements of the Governmental Accounting Standards Board Statement 45 (GASBS 45), Milwaukee County must begin to account for its OPEB liability. Milwaukee County is not required to fund the annual required contribution, but could choose to continue on the "pay-as-you-go" approach. County departments that are structured as internal service, proprietary or enterprise funds would have to book the liability as part of its accounting procedures.

In light of the new GASB 45 rules, the 2007 Recommended Budget switches the DHHS Behavioral Health Division from a proprietary to general fund account. This change, supported by the trend of BHD over the years from a provider to a purchaser of services, averts the need to fund the annual required contribution. This saves approximately \$7 million in the 2007 Budget. For 2007, a total of \$4.6 million in OPEB liabilities are included in the following budgets: DAS-Risk Management (\$74,800), DAS-Information Management Services (\$652,700), Airport (\$1,223,900), DPW-Transportation Services (\$136,000), DPW – Architectural, Engineering and Environmental Services (\$455,600), DPW – Fleet Management (\$312,800) and DPW – Facilities Management (\$1,747,400). The DPW Transit/Paratransit budget includes a net OPEB contribution of \$7,514,867, for a total County OPEB contribution of \$12,118,067.

## ❑ **Fringe Benefit Rates**

The 2007 Recommended Budget includes several initiatives to outsource or privatize County functions, driven primarily by the high fringe benefit rate applied to County positions. Private sector positions typically do not have as high a fringe benefit rate for several reasons, including the reduced fringe benefits provided or the absence of legacy (retiree) costs that are carried by current County workers. Before discussing the privatization initiatives, it is important to better understand the County's fringe benefit rate and how it is applied to County positions and how it has changed since the 2006 Adopted Budget.

Prior to 2007, the County fringe benefit rate was comprised of retirement (pension contribution), health, dental and life insurance costs. These total costs were then applied to benefit-eligible County positions as a percentage of the individual employees' salary. This percentage always included fixed costs for non-active employees; retiree health and life insurance as well as retiree unfunded pension obligations that do not go away if the position is abolished. For 2007, the County Executive proposes to allocate fringe benefit costs in a different manner. Although the total costs are calculated the same, the costs are allocated to each benefit-eligible County position as a lump-sum amount. For 2007, this amount is \$37,334 per position. The net affect of the change means that departments with higher than average County salaries benefited from the policy change, while those below the County average had to absorb additional fringe benefit costs.

Many people point to the high fringe benefit rate, approximately 78% of total salaries in the Recommended Budget, as a reason to outsource or privatize County services because the private sector fringe benefit rate is much lower and, importantly, budgetary savings can be achieved. It is important for policymakers to keep in mind that a significant portion of the fringe benefit rate (or amount) is attributable to retired or inactive employees that is simply allocated to employees that remain on the County payroll. In fact, an analysis performed by the Department of Audit and reviewed by County Board staff indicates that the actual fringe benefit rate for post-1993 hires (not eligible for lifetime health insurance coverage) is approximately 38%, not 78%, of total salary costs.<sup>3</sup> While this calculation does not reduce the County's fringe benefit obligations one penny, it should make it clear that the savings achieved from abolishing positions will save the County much less than the "full" fringe benefit rate. Even more troubling, the fixed retiree fringe benefit costs that remain will then be redistributed to the remaining County positions in subsequent budget years.

## ❑ **Privatizations**

Privatization is a process that transfers services, which had previously been performed by the government, to the private sector. The private sector entity can be either a for-profit or a not-for-profit entity. The purpose of privatization is to provide services at a better value to the taxpayers. In many cases, the availability of privatization opportunities may focus on "commercial activities." This is sometimes referred to as a "yellow pages test" in recognition of the fact that the services are commonly available from private businesses. These are activities that the government performs with its employees or resources that could also be performed by the private sector. Examples of government operations that are often cited as commercial activities include printing, golf, payroll processing and vehicle maintenance. Other types of services may be classified as "inherently governmental." These are activities that are so clearly and directly related to a public interest without regard to profitability that they are best performed by the government. These may also have a statutory requirement for the provision of the identified

---

<sup>3</sup> An analysis by DAS-Fiscal staff of fringe benefit rates for all active employees shows an actual fringe benefit rate of 50.4% by subtracting that portion of the rate for retiree health benefits. It does not make any adjustment for the unfunded pension liability that may also be applicable to retirees or inactive employees.

service. Examples include law enforcement, corrections, stewardship of natural resources, fire fighting, and judicial functions.<sup>4</sup>

The 2007 Recommended Budget includes several privatization initiatives, including: various information technology services (Org. 1160 – IMSD), housekeeping and courthouse security functions (Org. 5700 DPW-Facilities Management), parts operation (Org. 5300 -DPW–Fleet Maintenance), energy assistance (Org. 8000 – DHHS) and parks maintenance functions (Org. 9000 – Parks). A synopsis of each is as follows:

- IMSD

The 2007 Recommended Budget includes numerous initiatives as part of the strategic direction of privatizing routine tasks and reorganizing to support the transition from mainframe legacy systems to a networked server environment, including web-based technology. A total of 17 positions are unfunded. In their place, the Division will sign a cooperative purchasing agreement with Racine County to purchase contractual services for certain tasks. The contract, according to the Chief Information Officer, will provide at least as much staffing support as provided by the 13 positions that currently handle these duties.

- DPW-Facilities Management

Facilities Management will undertake a significant outsourcing initiative in 2007 by privatizing the areas of housekeeping and security. A total of 38 Facility Worker-4 positions and 34 Facility Worker Security positions will be abolished. The savings associated with these initiatives include: \$2.3 million for housekeeping services and \$1.5 million for security functions. It should be noted that DPW staff has communicated to County Board Research staff that the actual savings associated with the housekeeping privatization may be closer to \$1.6 million. Further analysis of these projected savings will be necessary.

- DPW-Fleet Maintenance

The 2007 Recommended Budget includes the outsourcing of the parts operation within the Fleet Maintenance division. Five positions of Auto and Equipment Parts Technicians are abolished. A total savings of \$406,605 is anticipated as part of this initiative.

- Parks – Skilled Trades

A total of 20 skilled trade and related staff are abolished in the 2007 Recommended Budget. This unit is responsible for all routine maintenance and repairs to electrical, mechanical engineering and façade systems at park facilities. An appropriation of \$1 million is provided to purchase these services from the private sector via time and material contracts. It is unclear how this action will address the deferred maintenance backlog that has recently been reported to the County Board.

- DHHS – Energy Assistance

A total of 14 positions are abolished related to the Low-Income Home Energy Assistance Program for the operation of one energy assistance site at the Coggs Human Services Center.

---

<sup>4</sup> From “Privatization of Milwaukee County Facilities and Programs (File No. 03-474), May 12, 2004, by Department of Audit and County Board staff.

Instead, the contract with the Social Development Commission (SDC) will be expanded to cover all 11 sites in the County, from the ten SDC is now serving. A total savings of \$1 million, excluding fringe benefits, is anticipated with this proposal.

When considering privatization of County services. Complete and accurate figures for costs and revenues associated with the program are required to compare County costs to the proposed privatization. The 2007 Recommended Budget, in most cases, does not provide a detailed analysis of each privatization initiative. Policymakers may want to gather more information about the actual cost savings (as opposed to those captured in the 2007 Recommended Budget) that may actually be achieved in both 2007 and beyond.

#### ❑ **Justice System Funding**

The County Executive's 2007 Recommended Budget includes a number of actions that may have a significant bearing on the Milwaukee County justice system. Combined Court Related Operations (Court), the Sheriff's Office (Sheriff), the House of Correction (HOC) and the District Attorney's Office (DA) operate the justice system through a complicated and interdependent process. A reduction in funding in one area can have unforeseen negative consequences for other components of the system, including delays in court and prosecutorial processing and reduced levels of courthouse complex security for participants in the judicial process, courthouse tenants and the broader public.

##### *Sheriff's Office*

In the General Investigative Services Division of the Sheriff's Office, the 2007 Recommended Budget eliminates 16 of the 50 Deputy Sheriff 1 positions. These positions aid in serving warrants, writs, third party petitions, and temporary restraining orders, and processing extradition papers. With the reduction of more than 30% of available staff resources for these assignments, it is likely that the Courts and the DA will see their respective caseloads adversely impacted, potentially resulting in a case backlog that would produce a spike in daily inmate population at the Criminal Justice Facility (CJF).

##### *House of Correction*

When the CJF reaches capacity, overflow inmates are transferred to the House of Correction, which may have to open more dormitory space to accommodate the overflow. The budget for the House of Correction includes savings based on having seven dorms closed for the year. In the event additional dorms are opened, the cost to the County is approximately \$35,000 per month.

##### *District Attorney's Office*

The District Attorney's Office is assigned a \$2,022,112 expenditure reduction in the 2007 Recommended Budget. The DA's tax levy-funded staff, approximately 60% of the positions in that office, is made up primarily of investigators, paralegals, process servers and support staff. Based on the average full-time equivalent position cost for DA staff, the proposed expenditure reduction equates to more than 25 FTE's or 28.7% of the tax levy staff. A staff reduction of that size would dramatically inhibit the performance of the DA's statutory duties and have a severe negative impact on the prosecution of criminal cases, possibly resulting in civil sanctions for rights violations. Additionally, without staff to support the functions of the case processing in the justice system, Court backlogs and daily inmate census issuer would be further exacerbated.

##### *Combined Court Related Operations*

In the 2006 Adopted Budget, bailiff staffing for the Courts was reduced from 97 bailiffs for 88 posts to 78 bailiffs for 71 posts. In acknowledgment of the importance of the bailiff/court relationship, the Sheriff and the Chief Judge reached an agreement in early 2006 whereby the Sheriff would avail the Courts of three additional bailiffs, increasing the number of posts to 74. Counter to their agreement, the County



Executive's 2007 Recommended Budget further reduces bailiff staffing to 71 positions staffing 63 posts. Because bailiffs play a significant role in fostering case disposition in the Court, a reduction in bailiffs will have similar backlog reverberations through the justice system.

Perhaps more critical to this discussion, however, are the findings of the recently released Audit of the Sheriff's Office - Court Services Division. Enlisted to aid in the audit, the National Center for State Courts (NCSC) recommended a net increase of 36 bailiff positions to a total of 114. While the costs associated with a bailiff increase of this magnitude are projected to exceed \$3 million, the NCSC notes that current staffing patterns are unsatisfactory and may pose a threat to the overall safety of the judiciary, jurors, other court participants and the public.

#### ❑ **Parks Department**

The debate over the Milwaukee County Parks System and what needs to be done to preserve its 15,000 acres and recreational amenities has intensified in recent years as annual budget cutbacks and deferred maintenance have taken a large toll. While long-standing debates over the funding structure for the Parks System have recently taken a more urgent tone, most everyone agrees that the Parks System must be protected from further deterioration. Thus, there are numerous concerns about the 2007 Recommended Parks Budget and its ability to protect programs and services.

The 2007 Recommended Budget for the Parks Department cuts a total of 83.4 FTE positions, primarily in the skilled trades and aquatics areas. As a replacement for in-house skilled trades staff, the County Executive provides a \$1 million appropriation to purchase skilled trade functions from the private sector. It is unknown as to whether this appropriation is enough to completely offset the loss of Parks skilled trades positions. Given the recent estimate of \$150 million in Parks deferred maintenance, it appears that funds will only be available to address urgent needs.

The Recommended Budget unveils a new three-year aquatic plan that includes: closing the aging deep well pools, constructing a new aquatic center in Lincoln Park, constructing splash pads to replace wading and deep well pools, closing multiple wading pools and building new picnic pavilions. According to the budget narrative, the pavilions will be near the pools but not replace them.

For 2007, five deep well pools, including two indoor pools, are closed. A total of 29 wading pools would be closed under the County Executive's plan, and 11 picnic pavilions are planned for construction in 2008. Capital Improvements Budget funding is appropriated to construct four splash pads (at Dineen, Algonquin, Jackson and Jacobus Parks), which do not require as much staff as the deep well pools. In addition, the daily rates for pool admission have been modified; ranging from a .25 cent decrease at Washington Park pool for children, to a \$3.50 increase to \$5 per day at all other remaining deep well pools. Season passes will be available for \$15 for adults and \$10 for children.

Given the lack of detailed information in the budget narrative, and the relatively short period in which to produce this report, policymakers may want to further probe the ability of Parks management staff to continue to provide the same level and quality of service throughout its other operations next year in areas such as mowing and non-aquatic recreational services.

#### ❑ **Housing for the Homeless and Mentally Ill Initiative**

A package of initiatives that emphasize and focus on enhancing permanent housing solutions for homeless and mentally ill persons is included in the 2007 budget. This Mental Health Housing Initiative consists of numerous components, including the transfer of various existing housing programs from the Disabilities Services Division and the DAS-Economic and Community Development Division to be

consolidated with existing BHD housing programs to form a single Housing Section within BHD. Also included is \$250,000 in new funding for additional on-site staff in community-based settings to increase the total number of supportive housing units (\$75,000), consulting funds (\$50,000) for a national expert in developing a ten-year master housing plan for persons with mental illness, \$50,000 in funding for an initiative to implement a joint effort with the City to improve housing by issuing certificates of inspection and occupancy for landlords who house BHD clients, and \$25,000 in new funding is budgeted for the Continuum of Care in order to enhance the group's administrative capacity to draw down Federal funds. (An additional \$50,000 reflects the cost of position transfers related to the existing housing program transfers from other divisions.) The initiative further includes language that half of the Community Development Block Grant allocation typically allocated to County-approved projects, and half of County Park East land sales proceeds deposited in the County's Inclusive Housing Fund, will be designated for rehabilitation or construction projects to enhance the availability of permanent affordable housing for mentally ill persons. Finally, the initiative includes a study by DHHS, DAS, Audit, and County Board staff addressing consolidation of all County housing programs into a single housing division under DHHS, to be completed by April 1, 2007. (*See Major Changes Section under Org. 6300 – Behavioral Health Division, for a more detailed discussion*)

#### ❑ **Airport**

At a time when General Mitchell International Airport (GMIA) has been the subject of a State Representative's proposal to be taken over by an appointed airport authority, a State Legislative Council Committee on Airport Authorities, and a staff analysis of other alternatives including long-term leasing, the Airport Division once again experienced a very successful year. In 2005, a record number of passengers used GMIA, with a total of 7.3 million passengers traveling through Milwaukee. Building on the already impressive passenger totals, GMIA had its best passenger months ever in May and June of this year. For the first six months of the year, passenger traffic was up 2.3% over last year. Increased passenger traffic can be attributed to more than \$50 million worth of investment made by Milwaukee County to expand and renovate all three concourses. These expansions have added additional passenger amenities and have attracted new retail outlets that provide a variety of options to the traveling public. The successful management of Milwaukee's General Mitchell International Airport and the initiatives to improve airport facilities have been recently recognized in the October 2006 issue of *Conde Nast Traveler Magazine*. Travelers rated GMIA as the best in the nation in several key categories, which gave the airport an overall rating of the fifth best airport in the nation.

The 2007 Capital Improvements Budget authorizes \$18.2 million of scheduled airport capital improvements. The most significant project is an \$11.2 million In-line Baggage Security Screening improvement that will streamline baggage screening and reduce congestion in the terminal area. Other projects include maintenance and improvements to road surfaces that are used by airport and airline vehicles and replacement of the air control systems for the concourse areas. One area of concern is the unfunding of one airport engineer position responsible for the coordination of airport capital projects. Although the airport engineer position has been posted for over a year, given below market salary level, no qualified candidate has applied. Policymakers may wish to consider reallocating the pay grade of this position so that it can be filled.

#### ❑ **Transit**

Transit fares will increase for the third time in five years. Adult weekly tickets and passes will be raised from \$14 to \$17. Making weekly tickets and passes comparable to the adult cash fare, currently \$1.75. For the individual who uses transit to get to and from work, the adult ticket and pass fare will be discounted \$0.50. Student fare options will be reduced from three payment options to one. MPS purchases transit fare for their students. Currently, the most utilized option is the student special pass that

allows for the greatest flexibility for use. This fare amount will increase from \$13.75 to \$16. U-Pass and Commuter Value Pass fares will also increase. The U-Pass fare increases from \$41 to \$44 per semester and the Commuter Value Pass increases from \$155 to \$189. Finally, premium fare tickets are being increased from \$19 to \$22 and paratransit fares will increase from \$3.25 to \$3.50.

#### Major Areas of Expenditure Increases/Revenue Decreases

- **Employee Health Benefits/Pension Contribution**

The cost of providing health benefits to County employees and retirees grows by \$9.9 million, or 7.9%, from \$125.2 million to \$135.1 million. This appropriation is based on the new contractual agreement with Wisconsin Physicians Service (WPS) that converts Milwaukee County's health plan from a fully-insured plan back to a self-insured model. The proposed pension contribution for 2007 is \$52.7 million, an increase of \$25.3 appropriated in 2006. A pension obligation bond proposal is included in the Recommended Budget that provides \$6.25 million in pension contribution relief from the actuarial determined required contribution of approximately \$59 million.

- **Excess Power Plant Revenue**

The Recommended Budget contains \$356,880, or \$2,300,000 less than budgeted in 2006. The Power Plant Revenue account was created in the 2001 Budget to account for excess proceeds from the County's annual power plant payment that is not needed to offset debt service costs. It should be noted that the County is anticipating level payments of \$356,880 per year through 2011.

- **Miscellaneous Revenue**

Other miscellaneous revenue is budgeted at \$78,000, a decrease of \$662,000 over 2006. This is primarily due to the closing of one tax incremental district in the City of Milwaukee in 2007, compared to five anticipated in 2006.

- **Medicare Part D Revenue**

This non-departmental account was created in 2006 to reflect a new Federal revenue stream related to retiree health care coverage. According to Medicare Prescription Drug Improvement and Modernization Act of 2003 and implementing regulations of 42 C.F.R. subpart R, plan sponsors (employers, unions) who offer prescription drug coverage to their qualified covered retirees, are eligible to receive a 28% tax-free subsidy for allowable drug costs. The budget includes \$2,000,000 in Medicare Part D revenues, a decrease of \$639,936 from the amount anticipated in 2006. Unlike the 2006 Budget, which contained an expenditure offset of \$2,639,936 in the Appropriation for Contingencies as a hedge against not receiving these revenues, there is no such offset for 2007. Consequently, not receiving these revenues would result in a deficit.

- **Investment Advisory Services**

This non-departmental account is established to provide funds for investment advisory contracts related to Earnings on Investments (Org. 1992). For 2007, an appropriation of \$245,000 is included, an increase of \$55,000 from the \$190,000 provided in 2006. This is primarily due to the approval of a third investment advisory contract to help manage the investment portfolio.

### Major Areas of Expenditure Decreases/Revenue Increases

- **Earnings on Investments**

Earnings on Investments increase \$1,980,000 from \$4,420,000 to \$6,400,000. This increase is based on an average investment balance of \$267 million at 4.20%. The 2006 budget was based on an average investment balance of \$202 million at a rate of 3.0%.

- **Land Sales**

Land sale revenue is budgeted to increase \$4.9 million, from \$2.7 million to \$7.6 million. Anticipated land sales include three Park East Blocks (2E, 6E & 4W), the 6th & State parcel and a Research Park parcel.

- **Surplus (or Deficit) From Prior Year**

The 2005 adjusted deficit applied to the 2007 budget is \$4,664,280, an increase of \$6,237,646 over the 2006 budgeted deficit of -\$1,573,366. This account is required by State law to ensure that year-end surplus and deficit amounts are reconciled from two years prior.

- **Cultural Facilities**

Funding for most cultural facilities is reduced 5%, including the County Historical Society, War Memorial Center, Villa Terrace/Charles Allis Museums, Marcus Center for the Performing Arts, Fund for the Arts and Milwaukee Public Museum.

### Departmental Highlights and Initiatives

- **Department of Administrative Services – Economic and Community Development Division.**

In addition to the changes explained in the Housing for the Homeless and Mentally Ill Initiative section above, there are a few other changes worth noting. One Fiscal and Management Analyst 2, (which was created in 2006 in response to a significant deficit), one position of Housing and Community Development Program Coordinator and one Housing Program Assistant (Rent Assistance) are unfunded due to fiscal constraints for a total savings of \$149,492. Two Economic Development Specialist positions are created at a total cost of \$110,628, excluding fringe benefits, to better assist the department's economic and community development efforts. A \$50,000 appropriation for the Economic and Community Development Reserve Fund is also included in the 2007 Recommended Budget.

- **Department of Administrative Services – Labor Relations.** The Labor Relations section is removed from the DAS – Division of Human Resources and established as a distinct division within the Department of Administrative Services to reflect the significance of this function. Four positions are relocated within the department to serve the new division. Labor Relations will work with DAS – Fiscal, Corporation Counsel and DAS- DHR to coordinate collective bargaining strategies.

- **Department of Administrative Services – Division of Human Resources.**

The healthcare benefits oversight function is transferred out of DAS – DHR and will be managed through DAS – Fiscal and consultant services. This strategic move allows DAS – Fiscal better management controls over health care expenditures and enables the Department to purchase subject matter expertise in benefit administration. The positions connected to employee health in DHR are abolished, one position of Healthcare Specialist Coordinator is created in DAS – Fiscal and funding of \$500,000 is included for consultant services. Additionally, a consultant will be

retained and billed to the Employee Retirement System to implement a new Health Administration System as part of the ERS V3 system implementation.

- **Department of Administrative Services – Information Management Services Division.** The Division expands its collaboration with the City of Milwaukee and neighboring counties in an effort to attain efficiencies in duplicative IT functions and share resources. In the recent past, IMSD has partnered with Racine County to develop a shared Child Support call center, with Waukesha County to share help desk resources and with the City of Milwaukee to share data space needs and to co-host the web portal. For 2007, the Division will continue to explore collaborative opportunities in the region to leverage IT-related purchasing and resources.
- **Department of Health and Human Services**  
Largely due to insufficient funding from the State of Wisconsin for Income Maintenance (IM) services, tax levy in the Economic Support Division increases \$688,856. Due to a significant increase in fringe benefits, the State IM contract supports fewer workers, and 42 positions are abolished, which will result in increased caseloads per worker.

Funding for the Community Information (211) phone line is eliminated in 2007, saving \$200,000 in tax levy in the DHHS and BHD budgets.

Funding for the Youth Sports Authority is discontinued in 2007, resulting in a savings of \$150,000.

- **DHHS – Behavioral Health Division**  
Tax levy support for alcohol and other drug abuse (AODA) services is reduced \$770,330, including \$470,600 in AODA prevention and service contracts. The Budget does include \$7,291,845 in revenues for the third year of an Access TO Recovery (ATR) Wiser Choice grant awarded to the County in September 2004.
- **Department on Aging**  
In the Family care program, Care Management Organization (CMO) revenues increase \$13,521,942 based on an increased per member per month capitated rate from the State, increased new enrollments from 138 to 318, and an increase in the average number of clients served per month from 5,639 to 6,048. Expenditures increase \$12,227,256 mainly for member services. The CMO anticipates a surplus of \$2,996,598 for 2007, of which \$1,498,299 will be paid to the county, with an equal amount placed into an expenditure reserve within the CMO.

### **Future Costs/Fiscal Constraints**

A number of fiscal and policy considerations should be kept in mind as policymakers determine the best way to position the County for the next several years. In addition to the pension obligation bond proposal cited earlier in this report, the following factors also will need to be taken into account.

- ❑ Pending and future labor agreements, including changes in pay scales, benefits and other provisions.
- ❑ Rising debt service costs in future years due to the 2003 debt restructuring initiative. This will result in less excess sales tax available to fund the operating budget.
- ❑ The continued State underfunding of its mandated programs, of which the Court system is the most obvious example.

- ❑ The future impact of deferred maintenance on the County's infrastructure and on the County budget.
- ❑ The future of the GAMP program. Hospitals have committed to significant funding of GAMP and mental health expenses through 2007, but what is anticipated for future years?
- ❑ The future funding of parks, recreation and culture programs, and the Transit System, each of which has been the subject of proposals for alternative funding to take them off the property tax.
- ❑ The future of long-term support of recreational and cultural institutions currently owned and, in many cases, operated by the County. These include the Milwaukee Public Museum, the Zoo (with no reflection in this budget of past discussions to change the relationship with the Zoological Society), the War Memorial Center and other facilities and institutions.

Increasing legacy costs related to retiree pension and health care obligations will have a tremendous bearing on County operations over the next several years. And they will have to take place in the overall context of the next several generations of County citizens.

### **Capital Improvements Program**

The Recommended Capital Improvements Budget includes 77 separate projects at a total cost of \$57.7 million. County financing for those projects totals \$48.9 million. The 77 projects consist of 66 non-Airport projects at a total cost of \$38.5 million, plus 11 Airport projects at a total cost of \$18.3 million. The 66 corporate purpose (non-Airport) projects result in net county financing of \$31.5 million to be financed by \$28.9 million in General Obligation Corporate Purpose bonds, \$632,039 in sales tax revenues, \$1.2 million in Passenger Facility Charges (PFC) revenue and \$769,800 in construction fund investment earnings.

Cash financing in the 2007 Recommended Capital Improvement Budget is \$6.3 million, or 13% of net county financing. Cash financing for non-airport projects is \$2.6 million, or 8.2% of net county financing. The County goal for cash financing of capital improvement projects is 20%.

In 2003, the County Board adopted a change in the County's debt management goal in conjunction with the major debt restructuring to restrict future borrowing. In effect, this policy limits 2005-2007 borrowing to an increase of no more than \$1 million over the previous year's corporate purpose bond amount. In addition, the corporate purpose bond amount for 2008 would be set at a not-to-exceed amount of \$30 million, and future not-to-exceed amounts would increase by 3% over the previous year's bond amount. The Recommended Budget uses \$28.9 million in General Obligation bonds for non-Airport projects, a \$2.3 million decrease from the 2006 Adopted Budget amount. This amount is consistent with the debt management goal established as part of the 2003 debt restructuring.

A new policy for 2007 includes the addition of capitalized interest for general fund projects. This cost reflects the current interest expense on bonds. It has been reallocated from the debt service reserve to individual projects in order to better account for these costs.

Included in the capital budget narrative is language regarding two potential capital initiatives. The first is the acknowledgement that a community organization exists to reconstruct Hoyt Park Pool and, if enough funds are raised and deposited with the County, the project will move forward. The second initiative proposed by the County Executive is to transfer the ownership of Bender Park to the City of Oak Creek once details with the Federal Department of the Interior and the State Department of Natural Resources

have been confirmed and an agreement is finalized between the County and the City of Oak Creek. No funds are budgeted for either of these two initiatives.

The 2007 Recommended Capital Improvements Budget continues the trend of a reduced capital program. The following briefly summarizes a few of the capital projects in the Recommended Budget: *(See Section 5 of the Overview for a complete listing of the Capital Improvement projects)*

- Eleven capital projects are scheduled for General Mitchell International Airport at a total cost of \$18.2 million. This includes \$11.2 million for the **In-Line Baggage Security Screening** to reconfigure baggage handling and relieve congestion given Transportation Security Administration requirements. The \$18.2 million in total expenditures for the 11 Airport projects are offset with \$918,750 in Airport reimbursement revenue resulting in net County financing of \$17.3 million. This amount includes \$2.6 million in General Airport Revenue Bonds (GARB's), \$10.9 million in Passenger Facility Charges (PFC) revenue bonds and/or pay-as-you-go PFC financing and \$490,000 in miscellaneous revenue.
- An appropriation of \$3.9 million is included for **South 76<sup>th</sup> Street** construction from West Waterford Avenue to West Oklahoma Avenue. State financing will provide \$1.8 million of this cost.
- An appropriation of \$1,334,900 is included for **Bradford Beach Storm Water Outfalls Relocation**. This will allow for the relocation of storm water outfalls to help reduce e-Coli bacteria levels on the beach. This project was delayed in 2006 due to cost overruns associated with the Courthouse Annex demolition project.
- An appropriation of \$949,783 is included in the Capital Improvements Budget for **Zoo Infrastructure Improvements** related to ten major maintenance projects.
- An appropriation of \$1,046,800 is included for **Museum Electrical Distribution Replacement** to update an obsolete electrical system.
- An appropriation of \$101,990 is included for **Park Infrastructure Improvements**. An appropriation of \$471,570 is included to continue the **County-wide Play Area Redevelopment Program**.
- Six capital projects with total appropriations of \$2,075,685 are included for DAS – Information Management Services Division to upgrade infrastructure, enhance capacity, communications and server speed, and prepare for disaster recovery.

Remaining sections of this Overview present a more detailed explanation of major budget changes, issues and concerns and capital improvement projects.

## SECTION 2 - TAX LEVY CHANGES IN 2007 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2006 Adopted</u>	<u>2007 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
<b>Non-Departmental</b>					
<b>REVENUES</b>					
1901*	Unclaimed Money (1901-1980)	\$ (1,342,209)	\$ (1,325,000)	\$ 17,209	1.28%
1933	Land Sales	\$ (2,700,000)	\$ (7,600,000)	\$ (4,900,000)	-181.48%
1937	Potawatomi Revenue**	\$ (3,111,477)	\$ (3,011,477)	\$ 100,000	3.21%
1969	Medicare Part D Revenue	\$ (2,639,936)	\$ (2,000,000)	\$ 639,936	24.24%
1992*	Earnings on Investments (1901-4980)	\$ (4,420,000)	\$ (6,400,000)	\$ (1,980,000)	-44.80%
1993*	State Shared Taxes (1900-2201)	\$ (37,098,572)	\$ (37,082,280)	\$ 16,292	0.04%
1994*	State Exempt Computer Aid (1900-2202)	\$ (2,764,371)	\$ (2,458,557)	\$ 305,814	11.06%
1996*	County Sales Tax Revenue (1900-2903)	\$ (64,678,600)	\$ (65,921,500)	\$ (1,242,900)	-1.92%
1997*	Excess Power Plant Revenue (1900-4904)	\$ (2,656,880)	\$ (356,880)	\$ 2,300,000	86.57%
1998*	Surplus/Deficit from Prior Year (1900-4970)	\$ 1,573,366	\$ (4,664,280)	\$ (6,237,646)	-396.45%
1999*	Other Misc. Revenue (1900-4999)	\$ (740,000)	\$ (78,000)	\$ 662,000	89.46%
<i>Non Departmental Revenues Subtotal</i>		\$ (120,578,679)	\$ (130,897,974)	\$ (10,319,295)	-8.56%
<b>EXPENDITURES</b>					
1905	Ethics Board	\$ 59,412	\$ 59,412	\$ -	0.00%
1908	Milwaukee Cty. Historical Society	\$ 242,550	\$ 230,422	\$ (12,128)	-5.00%
1912	Visit Milwaukee	\$ 25,000	\$ 25,000	\$ -	0.00%
1913	Civil Air Patrol	\$ 9,500	\$ 9,500	\$ -	0.00%
1914	War Memorial Center	\$ 1,433,462	\$ 1,361,789	\$ (71,673)	-5.00%
1915	Villa Terrace/Charles Allis	\$ 243,656	\$ 231,473	\$ (12,183)	-5.00%
1916	Marcus Center for the Performing Arts	\$ 1,280,000	\$ 1,216,000	\$ (64,000)	-5.00%
1921	Human Resource and Payroll System	\$ 3,056,600	\$ 1,662,145	\$ (1,394,455)	-45.62%
1945	Appropriation - Contingencies	\$ 9,310,058	\$ 3,110,427	\$ (6,199,631)	-66.59%
1950	Employee Fringe Benefits	\$ -	\$ -	\$ -	0.00%
1961	Litigation Reserve Account	\$ 250,000	\$ 250,000	\$ -	0.00%
1966	Federated Library System	\$ 66,651	\$ 66,650	\$ (1)	0.00%
1972	Wage Supplement Account	\$ (5,700,000)	\$ -	\$ 5,700,000	100.00%
1974	Fund for the Arts	\$ 377,688	\$ 358,804	\$ (18,884)	-5.00%
1985	Capital Outlay/Depreciation Contra	\$ (14,592,703)	\$ (9,404,445)	\$ 5,188,258	35.55%
1987*	Debt Issue Expense (1900-8026)	\$ 11,500	\$ 11,500	\$ -	0.00%
1989*	Investment Advisory Services (1900-6025)	\$ 190,000	\$ 245,000	\$ 55,000	28.95%
<i>Non Departmental Expenditures Subtotal</i>		\$ (3,736,626)	\$ (566,323)	\$ 3,170,303	-84.84%
<b>Departmental</b>					
<b>Legislative &amp; Executive</b>					
1000	County Board	\$ 4,968,872	\$ 5,685,550	\$ 716,678	14.42%
1001	Audit Department	\$ 2,369,778	\$ 2,409,975	\$ 40,197	1.70%
1040	Community Business Development Partners	\$ 623,597	\$ 415,416	\$ (208,181)	-33.38%
1011	County Exec. - General Office	\$ 928,665	\$ 923,969	\$ (4,696)	-0.51%
1021	Co Exec - Veterans Service	\$ 271,962	\$ 270,563	\$ (1,399)	-0.51%
<i>Legislative &amp; Executive Subtotal</i>		\$ 9,162,874	\$ 9,705,473	\$ 542,599	5.92%

\* Org unit numbers have been reassigned. Previous org unit numbers are listed in parenthesis.

\*\*An additional \$1,388,523 is budgeted in DHHS and BHD for a total of \$4.4 million in Potawatomi revenue for 2007.



## SECTION 2 - TAX LEVY CHANGES IN 2007 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2006 Adopted</u>	<u>2007 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
<b>Staff Agencies</b>					
1110	Civil Service Commission	\$ 62,871	\$ 62,865	\$ (6)	-0.01%
1120	Personnel Review Board	\$ 165,385	\$ 164,444	\$ (941)	-0.57%
1130	Corporation Counsel	\$ 1,774,274	\$ 1,621,785	\$ (152,489)	-8.59%
1019	DAS - Ofc. For Persons w/Disabilities	\$ 714,095	\$ 712,581	\$ (1,514)	-0.21%
1135	DAS - Labor Relations	\$ 613,290	\$ 638,355	\$ 25,065	4.09%
1140	DAS - Human Resources	\$ 2,801,481	\$ 3,518,224	\$ 716,743	25.58%
1150	DAS - Risk Management	\$ (358,040)	\$ (186,370)	\$ 171,670	47.95%
1151	DAS - Fiscal Affairs	\$ 3,414,637	\$ 3,406,163	\$ (8,474)	-0.25%
1152	DAS - Procurement	\$ 861,144	\$ 828,340	\$ (32,804)	-3.81%
1160	DAS - Information Mgt Services	\$ 18,311,514	\$ 17,548,925	\$ (762,589)	-4.16%
1192	DAS - Economic & Comm. Development	\$ (1,859,797)	\$ (2,264,224)	\$ (404,427)	-21.75%
<b>Staff Agencies Subtotal</b>		\$ 26,500,854	\$ 26,051,088	\$ (449,766)	-1.70%
<b>Courts &amp; Judiciary</b>					
2000	Combined Court Related Operations	\$ 27,644,839	\$ 28,062,378	\$ 417,539	1.51%
2430	Child Support Enforcement	\$ (59,587)	\$ (197,910)	\$ (138,323)	-232.14%
<b>Courts &amp; Judiciary Subtotal</b>		\$ 27,585,252	\$ 27,864,468	\$ 279,216	1.01%
<b>General Government</b>					
3010	Election Commission	\$ 941,013	\$ 563,642	\$ (377,371)	-40.10%
3090	County Treasurer	\$ (146,737)	\$ (70,914)	\$ 75,823	51.67%
3270	County Clerk	\$ 57,489	\$ 41,670	\$ (15,819)	-27.52%
3400	Register of Deeds	\$ (2,981,803)	\$ (2,478,545)	\$ 503,258	16.88%
<b>General Government Subtotal</b>		\$ (2,130,038)	\$ (1,944,147)	\$ 185,891	8.73%
<b>Public Safety</b>					
4000	Sheriff	\$ 61,021,894	\$ 64,793,589	\$ 3,771,695	6.18%
4300	House of Correction	\$ 38,886,262	\$ 45,158,818	\$ 6,272,556	16.13%
4500	District Attorney	\$ 7,962,536	\$ 7,962,536	\$ -	0.00%
4900	Medical Examiner	\$ 2,666,381	\$ 2,649,035	\$ (17,346)	-0.65%
<b>Public Safety Subtotal</b>		\$ 110,537,073	\$ 120,563,978	\$ 10,026,905	9.07%
<b>Public Works and Transportation</b>					
5040	DPW - Airport	\$ (2,721,316)	\$ (2,796,192)	\$ (74,876)	-2.75%
5070	DPW - Transportation Services	\$ (136,210)	\$ (8,195)	\$ 128,015	93.98%
5080	DPW - Arch/Eng/Env Services	\$ 36,515	\$ 82,376	\$ 45,861	125.59%
5100	DPW - Highway Maintenance	\$ 587,934	\$ 772,317	\$ 184,383	31.36%
5300	DPW - Fleet Management	\$ (485,988)	\$ (474,849)	\$ 11,139	2.29%
5600	Transit/Paratransit	\$ 20,399,181	\$ 19,809,951	\$ (589,230)	-2.89%
5700	DPW - Facilities Management	\$ 15,339,891	\$ 15,788,722	\$ 448,831	2.93%
5800	DPW - Director's Office	\$ 1,985,870	\$ 43,384	\$ (1,942,486)	-97.82%
<b>Parks and Public Infrastructure Subtotal</b>		\$ 35,005,877	\$ 33,217,514	\$ (1,788,363)	-5.11%

## SECTION 2 - TAX LEVY CHANGES IN 2007 COUNTY EXECUTIVE RECOMMENDED BUDGET

<u>Org. Unit</u>	<u>Org. Name</u>	<u>2006 Adopted</u>	<u>2007 County Exec.</u>	<u>Levy Change</u>	<u>% Change</u>
<b>Health and Human Services</b>					
6300	DHHS - Behavioral Health Division	\$ 34,780,908	\$ 37,976,443	\$ 3,195,535	9.19%
7200	DHHS - County Health Programs	\$ 19,039,865	\$ 19,018,101	\$ (21,764)	-0.11%
7900	Dept. on Aging	\$ 1,808,809	\$ 1,103,675	\$ (705,134)	-38.98%
8000	Dept. of Health and Human Services	\$ 19,260,692	\$ 18,463,395	\$ (797,297)	-4.14%
<i>Health &amp; Human Services Subtotal</i>		\$ 74,890,274	\$ 76,561,614	\$ 1,671,340	2.23%
<b>Parks Recreation &amp; Culture</b>					
9000	Parks, Recreation and Culture	\$ 18,481,451	\$ 18,306,172	\$ (175,279)	-0.95%
9500	Zoological Dept.	\$ 5,687,983	\$ 5,633,117	\$ (54,866)	-0.96%
9700	Milwaukee Public Museum	\$ 3,502,376	\$ 3,327,257	\$ (175,119)	-5.00%
9910	University Extension	\$ 210,389	\$ 210,040	\$ (349)	-0.17%
<i>Recreation &amp; Culture Subtotal</i>		\$ 27,882,199	\$ 27,476,586	\$ (405,613)	-1.45%
<b>Debt Service</b>					
9960	County Debt Service	\$ 46,756,071	\$ 44,560,240	\$ (2,195,831)	-4.70%
<i>Debt Service Subtotal</i>		\$ 46,756,071	\$ 44,560,240	\$ (2,195,831)	-4.70%
<b>Capital Improvements</b>					
1200-1876	Capital Improvements - Exp	\$ 717,386	\$ -	\$ (717,386)	100.00%
<i>Capital Improvements Subtotal</i>		\$ 717,386	\$ -	\$ (717,386)	100.00%
GRAND TOTAL DEBT SERVICE		\$ 46,756,071	\$ 44,560,240	\$ (2,195,831)	-4.70%
GRAND TOTAL OPERATING PURPOSE		\$ 306,415,125	\$ 318,930,251	\$ 12,515,126	4.08%
GRAND TOTAL REVENUES		\$ (120,578,679)	\$ (130,897,974)	\$ (10,319,295)	-8.56%
GRAND TOTAL		\$ 232,592,517	\$ 232,592,517	\$ -	0.00%

### SECTION 3 – OVERVIEW/MAJOR CHANGES 2007 RECOMMENDED BUDGET

#### **Non-Departmental – Revenues:**

##### **1901\* Unclaimed Money (1901-4980)**

Unclaimed Money is budgeted at \$1,325,000, a decrease of \$17,209 from the amount budgeted in 2006. This amount recognizes unclaimed money held by the Treasurer in 2006 that is expected to lapse to the County general fund in 2007.

##### **1933 Land Sales**

For 2007, Land Sales are budgeted at \$7,600,000, an increase of \$4,900,000 from 2006. Anticipated Land Sales include:

- Park East Blocks 2E, 6E and 4W
- 6<sup>th</sup> and State Parcel
- Research Park Parcel

In addition to this budget, 10% of the first \$4,000,000 of land sales (\$400,000) is to be deposited into an account in DAS-Economic and Community Development.

If land sale revenue received is in excess of the amount budgeted in Org. Unit 1933 – Land Sales, 50% shall be placed in Org. Unit 1945 – Appropriation for Contingencies, 40% shall be placed in the Community and Economic Development Fund (CED) created by Adopted County Resolution File No. 04-492 and 10% shall be placed in capital account WO865 – Brownfield Redevelopment.

##### **1937 Potawatomi Revenue**

The 2007 budget includes a total of \$4.4 million in Potawatomi Revenue, a decrease of \$100,000 from the 2006 amount. A total of \$1,388,523 of this revenue is budgeted within DHHS to offset various programs, the same as 2006. This non-departmental account reflects the remaining revenue amount, \$3,011,477, which reduces overall tax levy.

##### **1969 Medicare Part D Revenue**

This non-departmental account was created in 2006 to reflect a new Federal revenue stream related to employee health care coverage. The Medicare Prescription Drug Improvement and Modernization Act of 2003 and implementing regulations of 42 C.F.R. subpart R, plan sponsors (employers, unions) who offer prescription drug coverage to their qualified covered retirees, are eligible to receive a 28% tax-free subsidy for allowable drug costs. The budget includes \$2,000,000 in Medicare Part D revenues, a decrease of \$639,936 from the amount anticipated in 2006.

##### **1991\* Property Taxes (1900-1201)**

Property Tax revenue is budgeted at \$232,592,517, the same as 2006.

##### **1992\* Earnings on Investments (1900-1850)**

Earnings on Investments increase \$1,980,000 from \$4,420,000 to \$6,400,000. This increase is based on an average investment balance of \$267 million at 4.20%. The 2006 budget was based on an average investment balance of \$202 million at a rate of 3.0%.

Investment management services funding is budgeted at \$245,000 and is included in non-departmental account 1989 – Investment Advisory Services. This amount represents a \$55,000 increase from the \$190,000 appropriated for this purpose in 2006.

**1993\* State Shared Taxes (1900-2201)**

State Shared Taxes (Shared Revenue) decreases \$16,292 from \$37,098,572 to \$37,082,280. The State previously modified the shared revenue formula so that the previous year's base, plus the utility payment, determines the budgeted amount. The components previously used to calculate the County's shared revenue payments; aidable revenues, county mandate relief and maximum-minimum adjustment have been discontinued. Only the utility aid component is used to calculate adjustments to the shared revenue payment.

Gross shared revenue payments are \$57.2 million, with \$20.1 million intercepted by the State for the State's Child Welfare program, for the seventh consecutive year. (The County's Base Community Aids allocation also is reduced by \$38.8 million, for a total reallocation of \$58.9 million for the State Bureau of Milwaukee Child Welfare).

**1994\* State Exempt Computer Aid (1900-2202)**

State Exempt Computer Aid is budgeted at \$2,458,557, a decrease of \$305,814 from the 2006 budgeted amount of \$2,764,371. This State aid payment originated in the 2000 Budget as an offset to a State-enacted property tax exemption on business computers that went into effect that year. The annual payment is based on the equalized value of exempt computers, the Milwaukee County equalized value (excluding TID) and the property tax levy.

**1996\* County Sales Tax Revenue (1900-2903)**

Total County sales tax receipts are projected to grow by \$1,125,000 (1.7%), from \$65.4 million in 2006 to \$66.5 million in 2007. A total of \$44.5 million in net sales tax revenue is earmarked for debt service costs and \$632,100 is dedicated to cash finance capital improvement projects. Net County sales tax revenue is projected to exceed debt service costs by \$21.3 million, an increase of approximately \$3.3 million from the 2006 amount. The 2007 budget projects growth of approximately 1.7% percent in budgeted sales tax receipts, which represents an increase of approximately 6.2% over the actual amount received in 2004.

**1997\* Power Plant Revenue (1900-4904)**

The Recommended Budget contains \$356,880, or \$2,300,000 less than budgeted in 2006. The Power Plant Revenue account was created in the 2001 Budget to account for excess proceeds from the County's annual power plant payment that is not needed to offset debt service costs. Previously, all revenue from the County's 1995 power plant sale had been placed in Org. Unit 9960, General County Debt Service. It should be noted that the County is anticipating level payments of \$356,880 per year through 2011.

**1998\* Surplus (or Deficit) From Prior Year (1900-4970)**

The 2005 adjusted deficit applied to the 2007 budget is \$4,664,280, an increase of \$6,237,646 over the 2006 budgeted deficit of -\$1,573,366. This account is required by State law to ensure that year-end surplus and deficit amounts are reconciled from two-years prior.

1999\* **Other Miscellaneous Revenue (1900-4999)**

Other miscellaneous revenue is budgeted at \$78,000, a decrease of \$662,000 over 2006. This is primarily due to the closing of one tax incremental district in the City of Milwaukee in 2007, compared to five anticipated in 2006.

**Non-Departmental – Expenditures:**

1905 **Ethics Board**

No major changes.

1908 **Milwaukee County Historical Society**

Funding for the Historical Society decreases by 5% from \$242,550 in 2006 to \$230,422 in 2007.

1912 **VISIT Milwaukee (formerly the Greater Milwaukee Convention & Visitors Bureau)**

No change.

1913 **Civil Air Patrol**

No changes.

1923 **Milwaukee County Automated Mapping Land Information System (MCAMLIS)**

Expenditure authority of \$1,051,000 is provided in 2007, \$53,000 less than 2006.

Revenue of \$840,000 is projected from the \$4 surcharge collected by the Register of Deeds. The Register of Deeds also expects revenue of \$210,000 from the \$1 surcharge collected. Expenditures include: \$551,825 to continue the development and maintenance of the automated base map and parcel-based land information system, \$210,000 to develop and maintain a computerized indexing of the County's land information records, \$77,175 for surveying services provided by the Southeastern Wisconsin Regional Planning Commission in its performance of duties as land surveyor for Milwaukee County, \$6,000 for meeting and travel expenses, and \$88,000 to replace/upgrade existing computer equipment, software maintenance and upgrades and data processing consulting services.

The Architectural, Engineering and Environmental Services Division of Public Works will receive \$214,000 in MCAMLIS funds for 2007, the Register of Deeds will receive \$89,000 in MCAMLIS funds for data maintenance, and the Department of Administrative Services will receive \$25,000 for fiscal oversight.

In December 2004, the MCAMLIS Steering Committee approved a total appropriation of \$3,252,710 for a digital topographic mapping replacement project. The appropriation of this project is to be divided over a four-year period from 2005 to 2008.

MCAMLIS has expenditure authorization up to \$400,000 for the Register of Deeds to convert microfiche images for the seven-year period of 1988 to 1994. An additional \$150,000 is being provided to the Register of Deeds for various improvements to computerized systems.

1914 **War Memorial Center**

Funding for the War Memorial Center (WMC) is decreased by 5% from \$1,433,462 in 2006 to \$1,361,789 in 2007. This appropriation includes a \$279,997 direct subsidy to the Milwaukee Art Museum. This represents a 5% decrease from last year.

- 1915 **Villa Terrace/Charles Allis Art Museums**  
Funding for the Museums decreases by 5% from \$243,656 in 2006 to \$231,473 in 2007.
- 1916 **Marcus Center for the Performing Arts**  
Funding for the Marcus Center decreases by 5% from \$1,280,000 in 2006 to \$1,216,000 in 2007.
- 1921 **Human Resource and Payroll System**  
The non-departmental account established in 2006 for the implementation of the contracted Ceridian system continues according to the previous funding schedule. \$1,662,145 is included for operational costs for 2007. Revenues of \$220,991 are captured through crosscharges to revenue-producing departments.
- Under the contract, the Ceridian Corporation will manage the detail of position history, organizational hierarchy, payroll calculations, applicant recruitment and distribution of deposit notices and related reports.
- 1930 **Offset to Internal Service Charges**  
This budget includes offsets to charges by internal service fund departments and crosscharging departments so those budgets are not overstated. In 2007, expenditure offsets are equal to revenue offsets for a zero property tax levy impact.
- 1935 **Charges to Other County Organization Units**  
This budget reflects the offset to Central Service costs allocated to departments to show the full cost of operating a department. Beginning in 1997, the Central Service Allocation was not included as an expenditure in departmental operating budgets. The Central Service Allocation amounts for 2007 are based upon the 2007 Cost Allocation Plan, which uses 2005 actual costs as its basis. There is no tax levy associated with this budget.
- 1939 **Retirement Sick Allowance Payments**  
This account is not funded for 2007, the same as 2006. The 2005 Budget provided an appropriation of \$1,836,000 to fund the retirement sick allowance payments for small departments that did not have the ability to absorb these costs.
- 1945 **Appropriation for Contingencies**  
The Recommended Budget includes \$3,110,427, a decrease of \$6,199,631 from the \$9,310,058 provided in 2006. It should be noted that the 2006 appropriation was comprised of three separate revenue streams, including unrestricted funds, anticipated employee benefit savings from the adoption of labor union agreements and Medicare Part D revenue. The 2007 appropriation is an unrestricted expenditure amount that is not contingent on other outside variables.
- The policy that unanticipated revenue received during the year, including land sales in excess of budget, be first placed in the Appropriation for Contingencies is continued for 2007.

1950 **Employee Fringe Benefits**

Total expenditures for fringe benefits increase by \$37,236,175 from \$161,937,944 to \$199,174,119. This is primarily due to an increase in the contribution to the retirement system (pension contribution) of \$25,365,000 and an increase of \$9,943,743 in employee health costs.

*5403-Health Benefits-Hospital, Professional, Major Medical and Dental Expense* - Health benefits accounts are increased \$9,943,743 (7.9%) from \$125,166,827 to \$135,110,570. The 2006 Adopted Budget included \$120,082,375 for basic health insurance, the HMO, and run-out from the prior health insurance contract. For 2007, Milwaukee County converts from a fully-insured product to a self-insurance model for all basic health insurance at a projected cost of \$129,529,570. Minus administrative run-out costs from 2005, this represents an increase of \$10,047,195 or 8.4%. Expenditures for the two dental insurance products, the mental health/substance abuse/EAP carve-out and employee assistance program increase a total of \$496,548, approximately 10% each, to \$5,445,500.

*5404-Employee Group Life Insurance* account is increased by \$84,139 from \$1,683,661 to \$1,767,800, based on the coverage amount, which in turn is based upon employees' salaries.

*5405-Annuity-County Mandatory Contribution* remains at \$42,000. This budget is for the mandatory annuity contribution relating to eligible employees who have been members of the pension system prior to January 1, 1971.

*5406-Retirement System Contribution-OBRA* account is used to separately budget for OBRA benefit contributions. This amount is increased by \$67,000, from \$462,000 to \$529,000.

*5409-Retirement System Contribution* account includes an increase of \$25,365,000 from \$27,400,000 to \$52,765,000. This represents a decrease of \$6,250,000 from the \$59,015,000 amount requested by the Pension Board. The Recommended Budget proposes issuing approximately \$443 million in pension obligation bonds for the purpose of paying the Unfunded Actuarial Liability (UAL) of the Pension Fund. The goal is to achieve annual pension contribution savings based on borrowing for the unfunded liability at approximately 6% versus the 8% rate (assumed rate of return) that is applied to the UAL in the annual contribution payments. These savings are projected to be \$6,250,000 for 2007, as shown above. *(See further discussion of pension obligation bonds in Section 1)*

*6804-Local Transportation (Transit Pass Program)* account increases by \$234,666, from \$342,162 to \$576,828, for a portion of the cost of a corporate transit pass at \$189 each. The County purchases the quarterly passes at \$189 each, while the employee reimburses the County \$94.50 per quarter through payroll deduction. The cost of this program is projected to rise significantly due to the proposal to increase corporate quarterly bus pass fares by 22%, from \$155 to \$189. *(See Org. Unit 5600 - Transit/Paratransit for more information on fare increases)*

1961 **Litigation Reserve Account**

An appropriation of \$250,000 is continued in anticipation of litigation costs as authorized by the County Board in September 2005 (File No. 05-463).

- 1966 **Federated Library System**  
No change.
- 1972 **Wage Supplemental Account**  
The Wage Supplemental Account created in the 2006 Adopted Budget to account for expenditures and revenues associated with the 2005-2006 wage and benefit package is discontinued. The policy of not providing step increases or performance awards for ECP positions is continued for 2007.
- 1974 **Milwaukee County Fund for the Arts**  
Tax levy support for Milwaukee County Fund for the Arts programming decreases 5% to \$358,804 in 2007 from \$377,688.
- 1985 **Capital Outlay/Depreciation Contra**  
This account is a budgetary device used to provide for proper accounting of capital outlays in Proprietary Fund departments (i.e. Enterprise and Internal Service Fund departments). There is no county-wide tax levy impact from this account.
- 1987\* **Debt Issue Expense (1900-8026)**  
This non-departmental account is to pay bond counsel, financial advisor fees and other costs associated with issuing debt. An appropriation of \$11,500 is provided, the same as 2006. Most debt issue expenses are paid from the proceeds from each financing. The funds provided in this account are to cover expenses that are not eligible to be paid from financing proceeds.
- 1989\* **Investment Advisory Services (1900-6025)**  
This non-departmental account is established to provide funds for investment advisory contracts related to Earnings on Investments (Org. 1992). For 2007, an appropriation of \$245,000 is included, an increase of \$55,000 from the \$190,000 provided in 2006.

\*Org. unit numbers have been reassigned. Previous org. unit numbers are listed in parenthesis.

#### **Departmental:**

- 1000 **County Board**  
Tax levy increases \$716,678, due to an increase in allocated fringe benefit costs of \$570,607 and increased salary costs of \$175,443. One position each of Research Director and Office Assistant are abolished. The 2006 abolishment of one position each of Communications Director and Public Information Specialist, and creation of one position of Public Information Manager, are reflected in the 2007 Recommended Budget. Services and commodities are reduced \$29,275 and crosscharges from the House of Correction increase \$5,000, reflecting increased use of the HOC print shop.
- 1001 **County Board - Department of Audit**  
Tax levy increases \$40,197, due to an increase in allocated fringe benefit costs of \$26,331 and an increase in professional service costs of \$16,000, to \$66,000, including \$16,000 to conduct a county-wide audit and \$50,000 for an audit of the Parks Department golf program, which was not included in the department's request.



- 1040 **County Board - Office of Community Business Development Partners**  
Tax levy decreases \$208,181, due to increased crosscharge revenue of \$250,000, including \$200,000 to capital projects, \$25,000 to Airport operations and \$25,000 to Transit operations. Revenues of \$20,000 for Community Business Development Partners services to the Park East Redevelopment Compact also are included. An expenditure of \$15,000 for translations services also is included.
- 1011 **County Executive – General Office**  
Personal service appropriations reflect the reimbursement of \$60,000 by the County Executive for a portion of his 2007 salary. One position of Administrative Secretary-Associate Executive Assistant is unfunded for a savings of \$36,363. Funded authorized positions decrease 1.5, from 9.6 to 8.1.
- 1021 **County Executive – Veterans Service**  
One Clerical Assistant 1 position is unfunded, for a savings of \$33,065.
- 1019 **Department of Administrative Services - Office for Persons with Disabilities**  
Office project revenue increases \$21,500 (20%) from \$107,000 to \$128,500 due to increases in Wil-O-Way rental income and key card proceeds based on experience.
- Expenditures for interpreter services decrease \$25,282 (19%) from \$136,224 to \$110,942 based on experience and are charged to departments.
- \$150,000 is appropriated for maintenance of accessibility related assets.
- \$72,000 of expenditure authority is dedicated to transportation for the Wil-O-Way Summer Day Camp (funded through a \$25,000 grant from Disability Service Division and application fees from campers) and Transit Plus eligibility assessment appointments for persons without other transportation options.
- 1110 **Civil Service Commission**  
No major changes.
- 1120 **Personnel Review Board**  
The PRB anticipates a reduced need for outside legal counsel, reducing legal fees from \$13,000 to \$2,250.
- 1130 **Corporation Counsel**  
Tax levy is reduced \$152,489 (8.6%) to \$1,621,785, returning the office to 2005 budget levels. Expenditures are decreased by a like amount; revenues are unchanged.
- Outside legal fees are increased from \$4,000 to \$20,000.
- Crosscharges across all departments for legal services are largely unchanged. Increases in ERS/Benefits and DHHS-Disabilities are offset by decreases in DPW-Airport and DHHS-Behavioral Health. The ERS/Benefits increase is attributed to an anticipate increase in related workload.

1135 **DAS – Division of Labor Relations**

The Labor Relations section is removed from the DAS – Division of Human Resources and established as a distinct division within the Department of Administrative Services. The new division will work with DAS – Fiscal, Corporation Counsel and DAS-DHR to coordinate collective bargaining strategies.

Expenditures are established for the division at \$638,355, funded entirely by tax levy. Services increase \$134,124 to \$186,650 due to increased legal fees.

FTE's are reduced from 7.1 to four due to the unfunding of one HR Coordinator position and a correction to the 2006 budget.

1140 **DAS – Division of Human Resources**

Tax levy is increased \$716,743 (25.6%) to \$3,518,224. Expenditures are increased 20.7% to \$4,619,697, slightly offset by a revenue increase of \$76,882 (7.5%) to \$1,101,473.

One position of Employee Health Care Benefits Specialist and one position of Employee Benefits Services Manager are abolished. For positions of Human Resources Intern (1.8 FTE) are created. One Human Resources Analyst 2 is unfunded and the Employee Relations Manager position created in the 2006 Adopted Budget is also unfunded for 2007. Funded positions are reduced to 46.3 FTE.

The function of healthcare benefits financial oversight is transferred out to DAS – Fiscal where the abolished Employee Health Care Benefits Specialist position is recreated as a Healthcare Specialist Coordinator. Additionally, \$500,000 is allocated to hire consulting services for benefits administration, compliance, and development of benefits strategies.

The division will begin tracking departmental requests for training and staff development with the intention of implementing crosscharges for these services in 2008.

A consultant will be retained and billed to the Employee Retirement System to implement a new Health Administration System.

1150 **Department of Administrative Services – Risk Management**

Workers' Compensation self-insurance expenditures increase \$290,798, from \$2,765,012 to \$3,055,810. Funded authorized positions decrease .8, from 5.8 to 5.0. DAS-Risk Management is an internal service fund that charges its expenses to other County departments. The Other Post Employment Benefits (OPEB) liability for this division is \$74,800. (*See OPEB Liability in Section 1*)

1151 **Department of Administrative Services – Administration and Fiscal Affairs**

One position of Administrative Specialist is unfunded and one position of Health Care Specialist is created. The new position is created to oversee fiscal and budget monitoring of health care expenditures. The cost of this position is crosscharged to Employee Fringe Benefits. (Org. 1950) The DHHS Reimbursement Unit is transferred to DAS-Fiscal in 2007. This results in a professional service increase of \$90,709, offset with reimbursement revenue for no net tax levy impact. An appropriation of \$100,000 included in the 2006 budget for a study of the current pension system is discontinued for 2007.

1152 **Department of Administrative Services - Procurement Division**

One position each of Buyer III and Clerical Assistant II are recommended to be unfunded for 2007. Funded authorized positions decrease 1.7, from 10.7 to 9.

The Procurement Division will increase strategic partnerships with other County departments and regional agencies to utilize collaborative contract agreements to reduce the demand on staff. The Procurement Division continues an annual fee of \$25 for vendors who want to be added to the list of approved vendors. The revenue generated from the imposition of this fee is maintained at \$39,551. Milwaukee County Procurement Division and the City of Milwaukee Procurement Division continue to identify duplicate commodities and collaborate on cost-effective procurement. The budget does not identify any savings that have been achieved related to this initiative that was begun in the 2004 budget. An appropriation of \$7,600 is included to upgrade and enhance the Procurement website to help vendors submit bids and/or proposals.

1160 **Department of Administrative Services – Information Management Services Division**

Tax levy is decreased \$762,589 (4.2%) to \$17,548,925. Expenditures are decreased 2.3% to \$18,023,437 and revenue increases \$329,444 (227%) to \$474,512. Revenue increases are attributed to the radio rebanding project and funding from the pension board for support of the Genesys system.

The 2007 Recommended Budget includes numerous initiatives as part of the strategic direction of privatizing routine tasks and reorganizing to support the transition from mainframe legacy systems to a networked server environment, including web-based technology. A total of 17 positions are unfunded, partially offset with the creation of two positions. In their place, the Division will sign a cooperative purchasing agreement with Racine County to purchase contractual services for certain tasks. The two new positions will be deployed to the Sheriff's Department and Department on Aging's Care Management Organization (CMO), respectively. The position assigned to the CMO will replace an outside contractor. Funded authorized positions decrease 13.7, from 99 to 85.3.

The division also expands its collaboration with the City of Milwaukee and neighboring counties in an effort to attain efficiencies in duplicative IT functions and share resources. As part of this effort, five positions of Client Support Specialist 4, seven positions of Network Technical Specialist 4 and one position of Clerical Specialist Records are unfunded with the intention of purchasing these functions through contracts.

Genesys, the current payroll system, will remain operational through 2007 for retirees while the retirement system completes development of their new system. The Pension Board will pay IMSD \$164,034 for this service.

IMSD staff will be deployed to the Sheriff's Office, DHHS and Aging to provide direct services. Those departments will be crosscharged for these services.

Other Post Employment Benefits (OPEB) expenditures totaling \$652,700 are budgeted in IMSD pursuant to GASB 45. (*See OPEB Liability in Section 1*)

Software costs increase \$115,495 due to increases associated with the Lotus Notes lease and anti-virus/anti-spam filtering.

Appropriations totaling \$391,144 are allocated to fund countywide technology needs and potential disaster recovery.

Fiber and wireless connectivity will be developed to improve service between and within county sites. The wireless initiative is in collaboration with the City of Milwaukee with no direct cost to the County.

Public safety radio systems will be reconfigured due to a settlement between the Federal Communication Commission and Nextel. Nextel will provide \$165,410 to offset staff costs associated with this project.

**1192 Department of Administrative Services – Economic and Community Development Division**

Personal Services without fringe benefits decrease \$255,541, from \$1,772,084 to \$1,516,543.

The Special Needs Homeless Section is transferred out of DAS – Economic and Community Development to the DHHS – Behavioral Health Division. Also transferred is the Safe Haven grant of \$416,034, and the Shelter Plus Care grant of \$2,215,206, as well as the associated expenditures and six positions. *(See DHHS-Behavioral Health Section)*

Revenue from the Housing Choice Voucher Program (Section 8), which is not being transferred, increases \$420,789 from \$11,911,138 to \$12,331,927 in 2007.

One Fiscal and Management Analyst 2, (which was created in 2006), one position of Housing and Community Development Program Coordinator and one Housing Program Assistant (Rent Assistance) are unfunded due to fiscal constraints for a total savings of \$149,492.

Two Economic Development Specialist positions are created at a total cost of \$110,628, excluding fringe benefits, to better assist the department's economic and community development efforts.

Revenue from Land Sales is increased from \$300,000 to \$400,000 in 2007 in this budget plus the amount contained in the non-departmental budget (Org. 1933) of \$7,600,000.

The 2007 Budget provides a \$50,000 appropriation for the Economic and Community Development Reserve Fund.

The Federal grant estimate for the 2007 Community Development Block Grant Program decreases \$271,842, from \$1,990,000 to \$1,718,158 and the HOME Housing Program decreases \$147,684 from \$1,389,288 to \$1,241,604.

**2000 Combined Court Related Operations**

Expenditures are increased \$1,928,342 (5.1%) to \$39,744,667 and revenues are increased \$1,510,803 (14.9%) to \$11,682,289. Tax levy is increased \$417,539 (1.5%) to \$28,062,378.

Fourteen positions (11.5 FTE) are abolished and seven positions (6.5 FTE) are unfunded for a salary savings of \$857,031. A lump sum reduction of \$1,079,160 is included to reflect unrealized state revenues.

Expenditure authority for the Alternatives to Incarceration program is again included in the department budget after being assigned to an allocated contingency account in the 2006 Adopted Budget.

The Department will recognize a third Circuit Court Support Grant payment of \$1,770,243 in 2007 by booking the January 2008 payment in advance. Expenditure authority for this grant is withheld until the revenue is received.

Guardian ad Litem expenditures are expected to increase \$255,389 (11.5%) to \$2,485,000 although State reimbursement for GAL is expected to decrease by \$10,000 to \$965,417. Major departmental program expenses increase \$298,769 to \$5,834,250 due to the GAL increase.

Bailiff staffing for the courts is set at three Deputy Sheriff Sergeants, one Captain, one clerical and 70 Deputy Sheriff 1 positions to staff and support 63 bailiff posts. Courts will be crosscharged \$8,373,657 for these services. Eight posts that had been assigned to general court security are eliminated. The 2006 Adopted Budget established 78 Deputy Sheriff 1 positions for 71 posts, and the Sheriff and the Courts Administration reached agreement in early 2006 to assign three additional deputies for bailiff staffing.

Courts revenues increase \$1,510,803 due primarily to the third Court Support Grant payment, offset by the loss of revenue due to the end of the Domestic Violence Judicial Oversight Grant.

As a new accounting initiative, the Family Court Commissioner and the Clerk of Circuit Court are allowed to crosscharge only two-thirds of support for the Child Support program to that Department and must absorb the remaining third, reducing Child Support crosscharges by \$1,012,529.

#### **Family Court Commissioner Division**

The Division is funded primarily through a crosscharge to the Department of Child Support Enforcement of \$1,985,027, a reduction of \$183,061 compared to 2006. Three positions of Clerical Specialist are abolished and one Clerical Assistant is unfunded.

#### **Register in Probate Division**

Legal fees decrease \$20,000 to \$150,000 and GAL fees in this division increase \$20,000 to \$185,000 due to caseload increases. GAL revenues from the State for this division decrease \$3,000 to \$87,370.

#### **County Funded State Court Services Division**

Additional pre-trial services are transferred from the Behavioral Health Division to the Alternatives to Incarceration section. The Chief Judge is responsible for managing and monitoring pretrial services and administering the contract with Wisconsin Community Services.

Revenue and expenditures for the Domestic Violence Judicial Oversight Initiative Grant are discontinued with the end of Federal grants for the program. Six positions (four FTE)

are abolished. Additionally, four Court Reporters and one Court Commissioner (Hourly) are abolished in the division.

One position of Audio Visual Technician is continued with revenue support provided through a Justice Assistance Grant.

Six FTEs in the Permanency Plan Review Project are asterisked for abolishment in the event funding from the Bureau of Milwaukee Child Welfare is ended.

Programming in the Alternatives to Incarceration section is funded at \$2,062,596 including \$177,529 in State revenue for an Operating While Intoxicated program and \$1,885,067 in tax levy for additional pre-trial programs.

Revenues from legal fee recovery for GAL decreases \$40,000 to \$215,000 while revenue from investments increases \$100,000 to \$500,000 due to better returns.

Authority is requested to enter into Professional Services contracts with Wisconsin Community Services, Justice 2000 and the Legal Aid Society totaling \$3,595,196, including an increase of \$98,500 for drug testing, \$122,471 for the OWI project, \$972,900 for Mental Health Intervention, and \$37,356 for Court Appointed Attorneys.

#### **2430 Department of Child Support**

Expenditures increase \$2,283,685 (12.5%) to \$20,588,632 and revenues increase \$2,422,008 (13.2%), increasing the tax levy offset \$138,323 to \$197,910.

The Department anticipates achieving 100% of performance standards, resulting in full incentive revenue of \$4,100,000.

The Federal Budget Deficit Reduction Act which begins on October 1, 2007 will prevent the Department from attaining Federal match for expenditures related to incentive revenues, resulting in a revenue decrease of \$2,000,000. Thirteen positions are designated to be unfunded due to the revenue loss, however, the Department may revise the list in 2007 to substitute vacant positions to avoid layoffs.

Fifteen additional positions are tied to a potential revenue increase from the State of \$1,323,000. If the anticipated revenue is not realized, the Department identifies two FTE Legal Counsel, eight FTE Child Support Specialists and five FTE Paralegal positions that may have to be eliminated.

Crosscharges from the Family Court Commissioner, the District Attorney and the Clerk of Circuit Court are reduced \$1,012,529 due to the revision in the crosscharge allocation referenced in the discussion of the Combined Court Related Operations budget.

The Department will continue to provide Racine County with call center services under a contract that will generate \$25,000 in revenue. If additional contracting opportunities emerge in 2007, the Department has three unfilled positions (1.5 FTE) that it may use to support call center services.

#### **3090 County Treasurer**

The 2007 Budget reflects an increase of \$165,000, from \$1,235,000 to \$1,400,000 in interest collected on delinquent property taxes. The number of notices processed is

expected to increase 60%, from 4,000 to 6,400. The fee for foreclosure and delinquent property listings remain at \$250 and \$150, respectively. Unpaid Personal Property Tax Chargebacks increase \$100,000, from \$200,000 to \$300,000 based on experience.

A total of \$325,000, an increase of \$45,000, is budgeted for administrative fees for investment of the County's short-term cash deposits. This includes \$75,000 in the Treasurer's budget and \$245,000 in a non-departmental account, Org. 1989, Investment Advisory Services.

Due to recent State legislation, a pilot Tax Return Intercept Program (TRIP) will be implemented in 2007 in order to collect delinquent property taxes.

**3010 Election Commission**

Because 2007 will be a two-election year while 2006 was a four-election year, expenditures are reduced \$394,144 to 591,652 and tax levy is reduced \$377,371 to \$563,642. One position of Election Clerk, representing 4.8 FTE is unfunded. Fees are unchanged.

**3270 County Clerk**

One position of Legal Proceedings Clerk and one Librarian 1 are unfunded and the Deputy County Clerk position is abolished for a salary reduction of \$144,429.

Services expenditures decrease approximately 50% to \$33,022 due to a \$19,023 reduction in printing costs and the elimination of a \$10,000 contract included in the 2006 Adopted Budget for data entry for the Journals of Proceedings.

Revenues decrease \$82,847 due to the transfer of pet licensing to MADACC (\$39,047) and a decline in marriage license applications (\$43,800).

**3400 Register of Deeds**

Expenditures are increased \$701,258 (21.6%) to \$3,942,455 and revenues are increased \$198,000 (3.2%) to \$6,421,000, decreasing the tax levy offset by \$503,258 to \$2,478,545.

Revenues from Real Estate Transfer Fees increase \$120,000 (4.2%) to \$2,950,000 and duplicating fee revenue increases \$60,000 through increased internet transactions.

Two Document Recorder positions and one Drafting Technician 3 position are abolished for a salary savings of \$74,686.

The fee schedule is unchanged.

**4000 Sheriff**

Expenditures increase \$2,898,762 (3.9%) to \$76,390,262 and revenues decrease \$872,933 (7%) to \$11,596,673, resulting in a tax levy increase of \$3,771,695 (6.2%) to \$64,793,589.

Eighty-two and one-half full-time equivalent positions are abolished and 47 positions are created at an overall salary savings of \$3,025,512. Significant position actions include the abolishment of 16 Deputy Sheriff 1 positions in General Investigative Services, six Deputy Sheriff 1 positions in Police Services and eight bailiff positions.

### Departmental

As in 2006, discretionary spending is again reduced by \$1 million.

### Emergency Management

Pass-through grant revenue decreases \$140,000 due to a decrease in Federal funding.

### Police Services

Staffing levels at the Airport are unchanged. Crosscharges to the Airport are increased \$41,697 to \$6,587,570.

Private member support for County Grounds patrols increases slightly to \$587,085 and parking citation revenue decreases slightly to \$32,000. Staffing is unchanged. Tax levy support for County Grounds patrols increases \$292,933 (87.7%) to \$626,985.

Sixteen positions of Deputy Sheriff 1 are eliminated in the General Investigative Services Division for a levy savings of \$1,236,154.

Parks Patrols are funded at \$759,814, representing an increase of \$410,363 over the amount included in the 2006 Adopted Budget. An overtime allocation is included to provide additional patrols on up to 12 summer weekends.

Staffing for expressway patrols is reduced from 52 Deputy Sheriff 1 positions and six Sergeants to 50 Deputies and five Sergeants. County Trunk Highway Maintenance revenue is reduced \$997,000 to \$1,090,800 due to a correction in reimbursable funding levels.

Participation in the Metro Drug Unit ended in 2006, and the Milwaukee High Intensity Drug Trafficking Area and Drug Enforcement Unit programs are eliminated, resulting in the abolishment of six Deputy Sheriff 1 positions, two Sergeants and one Captain. Tax levy savings associated with the elimination of these programs is \$859,484.

### Detention Bureau

The conversion from Deputy Sheriff positions to Jailer positions at the Criminal Justice Facility continues with forty-two Jailer positions expected to be added in 2007. The initiative anticipates replacing a total of 200 Deputy Sheriff positions with Jailers over a four year period.

Revenues from the Commissary, telephone commissions, medical service co-payments, and the US Marshal's Service are \$150,000, \$1,129,200, \$52,000 and \$1,200,000 respectively. Telephone Commission revenues are increased \$310,272, offset by \$170,000 in commodity costs. The increase reflects the new collect call/debit call contract with Sprint.

The Jail Literacy program is level funded at \$67,000. Funding for library services are increased \$4,000 to \$35,000.

The Sheriff and the House of Correction contract with the State for housing inmates was terminated in 2006. For 2007, revenue is reduced \$340,000 and tax levy is increased by a like amount.



A lump sum reduction of \$500,000 is taken in the Criminal Justice Facility, due to staffing savings when the Jail Booking Interface is implemented in July 2007.

#### Medical Services

Tax levy support for inmate medical services at the CJF and House of Correction is increased \$715,309 to \$15,359,849 due primarily to a \$250,000 increase in prescription drug costs. Outside medical fees are reduced \$190,000.

Staffing changes for medical services include the addition of a Staff Psychiatrist and the abolishment of a Staff Psychiatrist Hourly and the conversion of three RN positions to LPN to reflect the needs of the unit.

#### Special Operations

The implementation of the upgrade to the Sheriff's E-911 response capability continues in 2007. Revenue of \$332,156 is included for this operation. One position of Deputy Sheriff Sergeant is abolished in the Communications Unit and one Dispatcher is created.

One Network Applications Specialist 4 from IMSD will provide services for this unit, resulting in the abolishment of one Deputy Sheriff 1.

Staffing in the Central Records Division is unchanged, while expenditures increase \$139,930 and tax levy increases \$154,930.

Bailiff staffing for the Courts is set at three Deputy Sheriff Sergeants, one Captain, one clerical and 70 Deputy Sheriff 1 positions to staff and support 63 bailiff posts. Courts will be crosscharged \$8,373,657 for these services. Eight posts that had been assigned to general Court security are eliminated. The 2006 Adopted Budget established 78 Deputy Sheriff 1 positions for 71 posts, and the Sheriff and the Courts Administration reached agreement in early 2006 to assign three additional Deputies for bailiff staffing.

#### **4300 House of Correction**

Expenditures increase \$5,741,981 (13%) to \$49,801,812, revenues decrease \$530,575 (10.3%) to \$4,642,994, resulting in a tax levy increase of \$6,272,556 (16.1%) to \$45,158,818.

Eight Correctional Officer positions are abolished, and one Steamfitter position is abolished and one Plumber position is created. A total of seven dormitories are scheduled to be closed for 2006.

Funding for the Community Justice Resource Center continues relatively unchanged.

Huber Board revenue and revenue from Electronic Surveillance fees increases \$50,370 and \$228,635, respectively, due primarily to an increase in fees approved in 2006. The inmate census for Huber is unchanged, while the ES census increases from 162 to 185.

The Sheriff and the House of Correction contract with the State for housing inmates was terminated in 2006. For 2007, expenditures are reduced \$400,000, revenue is reduced \$703,800 and tax levy is increased \$303,800.

Funding for the farm and fish hatchery is eliminated and three positions of Correctional Officer Agriculture are abolished for a savings of \$214,677.

Tax levy support for food service increases \$318,470 due to the discontinuation of an agreement with the State for providing food service at the State Probation and Parole facility.

Due to a decrease in the number of municipal inmates, Municipal Board revenue decreases \$136,853. Print Shop revenue increases \$24,759 to \$84,759 based on experience, and telephone commission revenue increases \$337,950 to \$977,950 due to the new contract with Sprint.

**4500 District Attorney**

Expenditures decrease \$446,976 (2.7%) to \$16,070,713, revenues decrease \$446,976 (5.2%) to \$8,108,177, leaving tax levy level at \$7,962,536. Expenditure increases are attributed to increased contractual and State charges.

A lump sum reduction of \$2,022,112 is taken to avoid an increase in the tax levy.

Seven positions representing 5.59 FTE are abolished due primarily to a reduction in State funding for a salary savings of \$238,574.

A new State mandate imposing new requirements for the admissibility of evidence requires an unspecified increase in personnel and equipment costs.

The crosscharge from the Sheriff's Office for the Milwaukee Metropolitan Drug Enforcement Group grant is discontinued in 2007, resulting in a savings of \$197,245.

**4900 Medical Examiner**

Expenditures decrease \$116,665 (3.3%) to \$3,449,511 and revenues decrease \$99,319 (11%) to \$800,476, reducing tax levy \$17,346 (<1%) to \$2,649,035.

One Forensic Investigator position and one Medical Records Administrator I position are abolished for a salary reduction of \$95,454, offset by the creation of one Investigator in Charge and one Medical Records Administrator II position for a net salary increase of \$3,052.

Contractual services are reduced \$60,000 to reflect a reduction in the forensic pathology fellowship program.

Fees are unchanged except for tissue room rental, which increases \$250 to \$1,250.

**5040 Department of Public Works – Airport Division**

Beginning in 2007, new Governmental Accounting Standards Board (GASB) rules require Milwaukee County to accrue for the annual costs of Other Post Employee Benefits (OPEB) earned by an employee during the year plus the amortization of past service costs earned prior to the effective date of the new governmental accounting standard. The airport budgeted OPEB liability is \$1,223,900 for 2007. (*See OPEB Liability in Section I*)

Appropriations for Contractual Services increase \$1,796,445 from \$13,517,785 to \$15,114,230. The increase is allocated as follows: \$787,000 due to anticipated increased utilities costs, \$245,500 for a more realistic estimate for snow removal for the parking

operator, \$115,000 for cleaning the new area on the C Concourse hammerhead with contract custodial providers and \$581,250 for building repair and maintenance program to address the needs of aging terminal areas and for increased space coming on line mid-year at the C Concourse. The remainder will be available for education and training of personnel in IT applications and hardware unique to airport operations, ongoing fire and rescue, and environmental and safety education.

Commodities increase \$315,105 from \$1,815,152 to \$2,130,257. A change in methodology for budgeting fuel accounts for \$240,877 of the total increase. Fuel costs will now be budgeted in department budgets while the Fleet Maintenance Division will administer purchasing of fuel.

The appropriation for major maintenance items decreases \$351,000 from \$783,000 to \$432,000. Major maintenance items include: \$60,000 to complete resurfacing a portion of the parking lot, \$70,000 for air cleaning equipment in the East Grange of the South Shop, \$92,000 for similar equipment in the Main Garage of the South Shop, \$80,000 to replace four escalators, \$50,000 for spill pollution control infrastructure, and \$80,000 to repair membranes and surfaces in the older section of the parking structure.

The appropriation for items to be acquired and capitalized totals \$1,181,550. Major items that make up this total are: \$105,000 for Flight Information Display System replacement display screens, \$60,000 for a planned program replacement of PC's associated with the displays, replacement of old IT infrastructure components aggregating to approximately \$96,000 for the addition of a Cisco core router, \$85,000 to replace overhead doors at the firehouse, and \$100,000 for a boiler and chiller replacement at Timmerman.

Revenues increase \$4,555,781 primarily through adjustments to rates and charges to comply with the airline lease directed residual methodology.

The airport has a direct tax levy surplus of \$2,796,192. A repayment to the County for the payment of debt service on the terminal expansion net depreciation expenses is \$1,892,275. Crosscharges totaling \$903,917 are also included in the tax levy surplus to cover costs associated with non-airport departmental costs.

#### **5070 Department of Public Works – Transportation Services**

Personal services expenditures without fringe benefits increase \$16,350 from \$1,305,289 to \$1,321,639. Funded position equivalents decrease from 20.4 to 17.8. One vacant position of Engineering Technician and four positions (2.0 FTE) of Engineering Intern are abolished. One half-time Engineering Technician Seasonal is created. This position will be responsible for oversight and inspection of projects during construction season.

Beginning in 2007, new Governmental Accounting Standards Board (GASB) rules require Milwaukee County to accrue for the annual costs of Other Post Employee Benefits (OPEB) earned by an employee during the year plus the amortization of past service costs earned prior to the effective date of the new governmental accounting standard. The Transportation Services Division has a budgeted OPEB liability of \$136,000 for 2007. (*See OPEB Liability in Section 1*)

Professional service revenue decreased \$142,104 from \$2,417,038 to \$2,274,934 to better reflect recoverable direct labor costs. Revenue is approximately 77% of expenditure costs which is 17% lower than 2006. Some duties of the Transportation Services area

cannot be charged to capital projects such as pavement management, traffic safety improvement studies, and investigation of constituent concerns on County trunk highways.

Capital outlay decreases from \$327,400 to \$278,810. The second year of Hazard Elimination Safety Project (HES) has total expenditure authority of \$278,810 of which a Federal grant covers \$250,920 (90%) and the County covers the remaining \$27,890 (10%). The HES project will install Light Emitting Diode (LED) fixtures into county traffic signals. The new LED fixtures provide significant energy savings. Once the project is completed, anticipated energy savings are estimated to be 80% of current costs. This project will convert 95% of all traffic signals to LED fixtures. Funds must be expended by September 2008.

State revenues decrease \$97,975 primarily due to the completion of a major maintenance project in the amount of \$84,975 for traffic signage and pavement. The remaining \$13,000 is associated with the Local Road Improvement Plan.

**5080 Department of Public Works - Architectural, Engineering and Environmental Services (AE & ES)**

Personal services expenditures without fringe benefits decrease \$255,280 from \$3,175,106 to \$2,919,826. Funded positions decrease 9.0 FTE from 48.9 to 39.9. There are 12 positions that will be unfunded in 2007: two Clerical Assistant 1, two Record Center Technicians, one Facilities Assessment Analyst, one Contract Payment Analyst, one Specification Writer, one Engineering Technician, two Architectural Designers, one Construction Coordinator, and one Airport Engineer. Of the twelve unfunded positions, four are currently vacant.

Beginning in 2007, new Governmental Accounting Standards Board (GASB) rules require Milwaukee County to accrue for the annual costs of Other Post Employee Benefits (OPEB) earned by an employee during the year plus the amortization of past service costs earned prior to the effective date of the new governmental accounting standard. The Architecture, Engineering, and Environmental Services budgeted OPEB liability is \$455,600 for 2007. *(See OPEB Liability in Section 1)*

A Wisconsin Department of Natural Resources/Department of Agriculture, Trade, and Consumer Protection Land Conservation Program Grant is budgeted at the 2006 level of \$85,000. This grant is used to offset the cost of salaries in the Environmental/Energy Division.

State and Federal Revenue decreases \$78,950 from \$322,000 to \$243,050 primarily due to decreased State reimbursement for decreased maintenance costs of underground storage tanks.

In 2007 AE&ES will receive \$214,000 in revenue for the Milwaukee County Automated Mapping Land Information System (MCAMLIS) project management. Milwaukee County's GIS functions will be merged with MCAMLIS in 2007.

Expenditure authority of \$150,000 is budgeted for the Building Inventory and Assessment Program. The program consists of two phases; the first is the digitization of the building plans and building systems inventory, the second phase is the assessment of

each building system and the equipment discovered during phase one. All phase one and two work will concentrate on Parks Department buildings.

**5100 Department of Public Works - Highway Maintenance**

Personal services expenditures without fringe benefits decrease \$66,733 from \$5,595,123 to \$5,528,390. Fringe benefits increase \$1,141,697 from \$3,245,070 to \$4,386,767. Funded positions decrease 3.7 FTE from 117.9 to 114.2.

The County is reimbursed for 100% of eligible costs associated with the State Truck Highway system and the freeway system by the State. For 2007 the estimated reimbursement totals \$12,566,928. These costs are for the Department's personal services, contractual services, and commodities associated with State trunk highway and freeway system work. In addition, \$454,669 is budgeted for reimbursement revenue for the State to cover 76.2 percent of Central Services Allocation and other overhead costs for services provided to the State. These amounts reflect a \$295,043 increase from 2006 in the amount of crosscharge services.

General Transportation Aids for 2007 are budgeted at \$2,690,710, reflecting the actual 2006 allocation for the Wisconsin Department of Transportation. Any changes to the figure will not be known until November 2006.

County trunk highway major maintenance of \$150,000 for resurfacing or overlaying has been eliminated for 2007. Resurfacing will be postponed until 2008.

Funding of \$23,100 is provided for one arrow board trailer (\$3,600), two arrow board kits (\$6,400), building maintenance (\$8,000) and (\$5,100) for salt conveyor maintenance equipment.

**5300 Department of Public Works - Fleet Maintenance**

Personal Services without fringe benefits decreases \$379,069 from \$2,876,840 to \$2,497,771. Funded positions decrease 11.1 from 63.6 to 52.5. A full-time filled position of Iron Worker is unfunded. Fleet will utilize a Parks Ironworker for one-half of the year. The position will be in the Park direct labor and fringe transfers to Fleet Maintenance. This will result in a net savings of \$45,346. In addition, five Auto & Equipment Parts Tech positions are abolished. Contractual Services will increase by \$220,000 to replace the five outsourced employees. A net expenditure savings of \$406,605 is associated with this change.

Beginning in 2007, new Governmental Accounting Standards Board (GASB) rules require Milwaukee County to accrue for the annual costs of Other Post Employee Benefits (OPEB) earned by an employee during the year plus the amortization of past service costs earned prior to the effective date of the new governmental accounting standard. The Fleet Maintenance budgeted OPEB liability is \$312,800 for 2007. (*See OPEB Liability in Section I*)

Motor vehicle parts increase \$112,966 from \$799,188 to \$912,154. The increase reflects the 2005 actual usage. Estimated savings of outsourcing the parts area totals \$250,000, which mitigates the otherwise anticipated increase of \$362,966.

One position of Auto & Equipment Attendant is abolished and one position of Auto & Equipment Supervisor will be abolished, special premium is reduced, and utility expenses

are reduced due to the elimination of second shift operations for the summer months, which was initiated in 2006. The expenditure savings from this initiative is \$218,631.

Expenditure authority for fuel and the associated cost of all fueling infrastructure have been removed from the Fleet Maintenance budget and transferred to individual departmental budgets. Any surplus or deficits that are incurred will remain in each departmental budget.

Depreciation for Fleet equipment is decreased by \$302,568 from \$2,159,766 to \$1,857,198.

Bond interest decreases \$207,248 from \$590,046 to \$382,798 resulting from refinancing of bond funding used for vehicle acquisitions and a reduction in new unit purchases.

While fuel costs have been moved into individual departments, the countywide amount budgeted for fuel is increased by \$497,224 from \$1,548,237 to \$2,045,461. Fuel purchases are budgeted at \$2.32 a gallon for Lead Free, Diesel 1 and Diesel 2. Propane is budgeted at \$1.21 per gallon. Starting in 2007, Federal emissions standards will require the use of ultra-low sulfur diesel versus Diesel #2. The cost of ultra-low sulfur diesel is unknown, however, it is expected that costs for the new fuel will be higher.

#### 5600 **Milwaukee County Transit/Paratransit System**

Beginning in 2007, new Governmental Accounting Standards Board (GASB) rules require Milwaukee County to accrue for the annual costs of Other Post Employee Benefits (OPEB) earned by an employee during the year plus the amortization of past service costs earned prior to the effective date of the new governmental accounting standard. An amount of \$17,189,176 has been budgeted which includes \$8,674,309 of expected post employment benefit payments associated with current retiree expenses for OPEB liability. The net OPEB increase was partially mitigated by an OPEB reserve fund of \$1,00,000 established in 2006. Significant changes to medical insurance benefits provided to active employees and retirees when union contracts are negotiated in early 2007 are expected to cover the remaining net liability of \$7,514,867. Should MTS, Inc. be unable to achieve any assumptions that were made to mitigate the OPEB expense, MTS will reduce expenses or achieve revenues elsewhere without increasing fares or reducing service in any way.

Operating expenses are \$132,131,585, an increase of \$6,618,260. This increase is due to the OPEB accounting. The net OPEB liability for Transit for 2007 is \$7,514,867. The increases in operating expenses are mitigated by an undefined lump-sum reduction of \$1,174,025.

Fare increases are purposed in the 2007 budget. The adult tickets and weekly passes increase from \$14.00 to \$17.00. Premium tickets increase from \$19.00 to \$22.00. UPASS fees increase from \$41.00 to \$44.00 and the Commuter Value Pass program increases from \$155.00 to \$189.00. Special student passes increase from \$13.75 to \$16.00. Regular student passes and tickets will be discontinued.

The Managing Director and the Deputy Director receive combined compensation of approximately \$342,958. Beginning in 2007, the total amount for direct compensation will be \$108,012.84 for the Managing Director, and \$104,037.96 for the Deputy Director. Health care and other forms of indirect compensation are excluded. In addition, MTS,

Inc. will be expected to make efforts to bring salaries in line with those of DPW managers. The total savings associated with this budget action is \$130,907.

Transit passenger revenue is projected to be \$45,833,125, an increase of \$5,291,725 (13%). This is a function of a decrease in the discount rate for passes and tickets, and stronger ridership trends experienced in 2006 and expected to continue in 2007.

Diesel fuel is budgeted at \$2.35 per gallon for 2007, an increase of \$1,260,000 over the 2006 budgeted amount.

Paratransit fares will increase from \$3.25 to \$3.50 per one-way trip. This change will result in a revenue increase of \$249,079.

Purchased transportation expense is estimated at \$20,289,092, an increase of \$778,950. Cost per paratransit ride is projected to be \$19.77, a 0.3% increase over 2006.

State operating assistance is estimated to be \$59,107,000 an increase of \$1,159,000 (2.0%). State specialized transportation assistance is projected to increase \$184,763 (14.7%) to \$1,441,028.

Federal formula funds used for capitalized maintenance will be \$18,300,000 a reduction of \$100,000.

Wisconsin Employment Transportation Assistance Program (WETAP) funds are estimated to be \$628,000, a decrease of \$99,000.

The paratransit program expects to receive \$250,000 in Federal "New Freedom" funds to cover a portion of the cost of service beyond the ¾ mile fixed route service boundary. Federal FTA formula funds in the amount of \$1,650,000 will be used for paratransit operations.

#### 5700 **Department of Public Works - Facilities Management**

Beginning in 2007, new Governmental Accounting Standards Board (GASB) rules require Milwaukee County to accrue for the annual costs of Other Post Employee Benefits (OPEB) earned by an employee during the year plus the amortization of past service costs earned prior to the effective date of the new governmental accounting standard. The Facilities Management budgeted OPEB liability is \$1,747,400 for 2007. *(See OPEB Liability in Section 1)*

Personal services decrease by \$2,631,997 from \$13,806,442 to \$11,174,425. The following position actions are included in the 2007 budget: transfer out one Administrative Assistant to Parks and transfer in one position of Office Assistant-3, create one Administrative Assistant-4 position, create 12 Facility Worker 4 (Hourly), abolish 12 Facility Worker Security hourly, abolish 34 Facility Worker Security, abolish 1 Stores Clerk 3, abolish 2 Facilities Maintenance Supervisors, abolish 38 Facilities Worker 4 positions, abolish 1 Facilities and Grounds Supervisors, abolish 2 Painter-Buildings, abolish, 1 Painter Supervisor, abolish 1 Machinist, abolish 1 Machinist Lead, abolish 2 Carpenters, abolish 1 Steamfitter Welder, abolish 1 Stone Mason. Of these abolished positions a total of 80 active County employees will be laid-off, only one Carpenter, one Steamfitter-Welder, and one Stone Mason position are currently vacant.

Facilities Management will contract for housekeeping services. An amount of \$1,615,921 is budgeted in professional services to execute a contract with an external vendor. The net savings to the County is projected to be \$2,296,337. Facilities will also contract with a private security firm beginning in 2007. An appropriation of \$1,000,000 is budgeted for an outside agency to provide security services. This initiative is projected to save Milwaukee County \$1,517,088.

As part of the de-merger, a total 26 skilled trade positions will be transferred from Facilities Management to the Parks Department.

Facilities Management will examine alternatives for the operation of the Muirdale Building located in the Milwaukee County Research Park. Currently the Milwaukee County Research Park Board pays Milwaukee County approximately \$223,000 in space rental based on a portion of square footage charges to existing tenants. Annual expenditures to Milwaukee County are estimated at \$444,350 resulting in tax levy support of \$221,350. Possible options include selling the property, returning the property to the Research Park Board, or adjusting revenues to provide for a full cost reimbursement.

Milwaukee County will discontinue the use of the Eschweiler Buildings in 2007 in anticipation of a land sale that includes this property. Tax levy support of \$43,869 is budgeted in 2007 to operate the building utilities as required by State and Local code. Tax levy support is needed due to the loss of tenant revenue.

Parking revenues decrease \$38,723 from \$700,789 to \$662,516. Revenues are based on the following changes in parking fees: New surface Courthouse parking lot \$89,909 (\$80/month), 6<sup>th</sup> and State monthly parking \$68,182 (\$75/month), 6<sup>th</sup> and State daily parking of \$26,515 (35 slots at \$4/day), 6<sup>th</sup> and State Special Event Parking of \$106,938, Museum lot of \$14,091 (\$75/month), Medical Examiner area of \$18,182 (\$80/month), MacArthur Square parking of \$102,000 (\$85/month) which is offset by an expense of \$102,000 which Milwaukee County pays to the City of Milwaukee to rent stalls, and Pabst City of \$73,800 (\$75/month).

Facilities Management is creating 12 Facility Worker-4 Hourly positions to deliver meals for the County dietary and food assistant program under a service contract with the DHHS-Behavioral Health Division for this function. Positions will only be filled if offsetting revenues for the agreement cover expenses.

Contractual services increase \$1,516,896 from \$6,620,755 to \$8,137,651. This is primarily due to \$1,000,000 for security outsourcing, \$1,615,921 for housekeeping outsourcing, and \$102,000 for the lease of parking spaces at MacArthur Square.

Capital outlay increases \$162,627 from \$637,373 to \$800,000 for the first year of a ten-year replacement program of valves and other minor non-capital items. This allocation is associated with the County Grounds water utility, which is fully funded by all County and non-County users. In addition, \$288,730 has been budgeted for unanticipated repairs.

Crosscharges decrease by \$501,681 primarily due to the transfer of Parks Maintenance Services to the Parks Department.



Revenues decrease by approximately \$2,469,200 from \$13,253,487 to \$10,784,287.

**5800 Department of Public Works - Director's Office**

Personal services without fringe benefits decrease \$1,367,003 from \$1,688,352 to \$321,349. Funded positions decrease 43.0 from 46.9 to 3.9. All Security Operations positions were transferred to Facilities Management in 2006. There is one vacant position of Clerical Assistant 1 unfunded in 2007. One position of Human Resources Management Assistant is returned to DAS-Human Resources eliminating the crosscharge for this position. One position Human Resources Coordinator (DPW) will be crosscharged from Human Resources to the Director's office in 2007.

An appropriation of \$25,000 is budgeted for membership in the East Wisconsin Counties Rail Consortium.

**6300 Department of Health and Human Services – Behavioral Health Division**

Expenditures increase \$9,191,654 (6%) to \$169,269,256, revenues increase \$5,996,119 (5%) to \$131,292,813 and tax levy increases \$3,195,535 to \$37,976,443.

Personal services expenditures increase \$9,775,899 (15%) from \$65,705,339 to \$75,481,238 primarily due to increasing fringe benefit costs.

BHD changes from a Proprietary Fund to a General Fund due to purchase of service trends and greater dependence on County property tax levy than inpatient revenue. In 2006, \$66 million (41%) of BHD's \$160 million budget was used to purchase services from private providers.

Inpatient Services/Nursing Facilities

Two Occupational Therapy Assistant positions are unfunded for a savings of \$74,544.

State Intergovernmental Transfer Program revenue (ITP) is reduced by \$100,000 to \$1,100,000 based on nursing facilities licensed beds.

Acute Adult Inpatient Services/Child Services

The Medical College of Wisconsin (MCW)- Inpatient Psychiatry Services Contract is discontinued reducing expenditures \$350,000.

Two existing Child and Adolescent inpatient units are consolidated into a single unit based on reduced census. As a result, seven Nursing Assistant 1 positions are unfunded for a savings of \$192,420 and one Nurse Practitioner position is created at a cost of \$79,336.

Adult Community Services

A package of initiatives that emphasize and focus on enhancing permanent housing solutions for homeless and mentally ill persons is included in the 2007 budget. This Mental Health Housing Initiative consists of the following components:

- The federally funded ANET program is transferred from the Disabilities Services Division, Shelter Plus Care and Safe Haven programs from DAS-Economic and Community Development to be consolidated with existing BHD housing programs to form a single Housing Section.

- \$250,000 in new funding is included to support the following associated changes with the initiative:
  - The transfer of one Housing and Community Development Coordinator (Spec. Needs), one Assistant Housing Program Coordinator (Spec. Needs), three Housing Program Assistants (Spec. Needs), and one Secretary. One Housing Program Director and one Housing Program Assistant (Spec. Needs) are created. (The cost of the Housing Program Director is partially offset by the abolishment of one ANET Coordinator). These changes reflect a net tax levy cost of approximately \$50,000.
  - \$75,000 of new funding is budgeted to support additional on-site staff in community-based settings to increase the total number of supportive housing units.
  - \$25,000 of new funding is budgeted for the Continuum of Care in order to enhance the group's administrative capacity to draw down Federal funds. (A consortium of local municipalities and non-profit organizations dedicated to securing federal HUD funds to provide housing assistance for the homeless in Milwaukee County.)
  - \$50,000 in new funding is budgeted to engage a national expert in developing a ten-year master housing plan for persons with mental illness.
  - \$50,000 in new funding is budgeted for an initiative to implement a joint effort with the City to improve housing by issuing certificates of inspection and occupancy for landlords who house BH clients.
- Half of the Community Development Block Grant allocation that is typically allocated to County-approved projects (as opposed to projects submitted by municipalities) as well as half of Park East land sales proceeds will be designated for rehabilitation or construction projects to enhance the availability of permanent affordable housing for mentally ill persons.
- Department of Health and Human Services, Department of Administrative Services, the Department of Audit, and County Board staff are directed to perform a study addressing the consolidation of all Milwaukee County housing programs into a single Housing Division under DHHS to be completed by April 1, 2007.

A new State certified mental health program called Comprehensive Community Services anticipates earning \$1 million in additional Medicaid revenue.

BHD has budgeted \$2,500,000 in additional Medicaid revenue from Wisconsin Medicaid cost report (WIMCR) is budgeted based on experience and the cost of community services in excess of Medicaid reimbursements.

BHD will charge a new 5% administrative processing fee for all Medicaid revenues that pass through contracted community service agencies, for an anticipated revenue of \$400,000.

### Adult Crisis Services

Based on the existing two-year agreement between DHHS and four major hospital system partners, the hospital systems will again provide \$500,000 in funding to offset costs associated with 16 crisis respite beds in the Adult Crisis Services Area. These resources as well as cooperative agreements with area hospitals and systematic internal reviews have been effective in managing census while easing delays in transferring individuals in psychiatric crisis. This is part of a total County-wide funding commitment on the part of the hospitals, largely to help preserve the County's General Assistance Medical Program. *(See discussion under Org. Unit 7200)*

One position of Nurse Practitioner is created at a cost of \$79,336 and one position of Behavioral Health Emergency Service Clinician is unfunded for a savings of \$54,870.

### Alcohol and Other Drug Abuse (AODA) Services

Total AODA expenditures decrease from \$21,195,747 to \$20,533,235 with a tax levy decrease of \$770,330 (46%) from \$1,692,514 to \$922,184. The net AODA expenditure budget is \$20,396,999, which includes a \$470,600 reduction in prevention and service contracts due to fiscal constraints. In addition, \$7,291,845 of third year revenues are budgeted from the Access To Recovery (ATR) Wiser Choice Grant awarded to the State and contracted to Milwaukee County in September 2004.

The ATR grant expands alcohol and other drug abuse treatment services to two priority populations: the general population with an emphasis on families with children and the criminal justice population with a focus on inmates and offenders re-entering the Milwaukee community. This is a three-year grant totaling approximately \$22.8 million. \$825,513 is budgeted for administrative costs linked to operational management of the program.

### Child and Adolescent Community Services

Wraparound Milwaukee receives more than \$15.3 million in Medicaid capitation and crisis payments in addition to the case rate funding from child welfare and fixed payments from juvenile justice to serve a projected daily enrollment of 641 children.

The DHHS-Delinquency and Court Services Division (DCSD) and Wraparound Milwaukee will continue collaboration on the successful FOCUS program for youth who would otherwise be committed to Juvenile Corrections. DCSC will continue to pay for 47 budgeted slots.

Total State Child Welfare and Medicaid funding for the Family Intervention and Support Services program (FISS) is budgeted at \$531,365 to serve approximately 40 families per month in 2007.

### Management/Support Services

Pharmaceutical services increase by \$560,000 (18%) to \$3,660,000 due to the decision to charge BHD for the cost of antipsychotic medications prescribed to General Assistance Medical Program (GAMP) patients that had previously been paid by GAMP and rising medication costs.

Utilities expenditures increase \$200,000 based on experience.

One Fiscal Assistant 2 position is unfunded for a savings of \$35,816.

7200 **Department of Health and Human Services-County Health Programs**

Total expenditures increase by \$546,321 (1%) to \$62,361,053 and revenues increase \$568,085 (1%) to \$43,342,952 for a net tax levy reduction of \$21,764.

Emergency Medical Services (Paramedics)

The EMS program is in its fourth year of a revised reimbursement model where municipalities are paid based on net revenue collected and receive a supplemental payment from the County for uniforms, maintenance, education, and other costs. Reimbursement revenue continues to be paid back to municipal partners via a distribution formula developed by the Intergovernmental Cooperation Council (ICC).

EMS expenditures increase \$258,343 (2%) to \$12,840,087 and revenues increase \$274,734 (4%) to \$7,055,806.

Net revenues from the Tax Refund Intercept Program (TRIP) increase \$126,906 (63%) from \$74,460 to \$201,366 based on experience.

Paramedic billing rates are unchanged in 2007 and have not increased since January 1, 2003.

Flight for Life revenue increases \$80,300 (54%) from \$149,700 to \$230,000 based on experience.

General Assistance-Medical Program (GAMP)

GAMP expenditures increase by \$252,090 to \$48,438,706 and revenues increase by \$93,051 to \$36,137,146. Due to increased employee fringe benefit costs and increased contracted IT and ITP match dollars. Revenue increases are due to an increase in the GAMP application fee and additional TRIP and ITP revenue.

The General Assistance Medical Program (GAMP) avoids any reductions in medical services. A two-year agreement with the four GAMP-affiliated hospital systems to contribute to the cost of administering GAMP, as well as to the cost of 16 crisis respite beds contained in the BHD budget, continues in 2007. The total financial commitment of the four systems in 2007 is \$2,490,248, as detailed below.

Contribution for 2007

• WPS Claims Processing/Fiscal Services Contract	<u>\$1,225,000</u>
• BHD – 16 Crisis Respite Beds	\$500,000
• GAMP Home Health Care Services	\$301,168
• GAMP Eligibility Workers	\$319,080
• GAMP Nurse Call Line (Aurora Only)	\$65,000
• CHP Occupational Health Services (Aurora Only)	<u>\$80,000</u>
<b>Total Commitment for 2007:</b>	<b>\$2,490,248</b>

The 2007 budget again maintains net Intergovernmental Transfer Program (ITP) revenues of \$9.3 million and \$16.6 million of medical relief block grant from the State.

Income-based eligibility standards remain unchanged.

The Healthier Wisconsin Partnership Program awarded GAMP a three-year grant for 2006-08 to study and improve GAMP's Chronic Disease Management. In 2007 \$150,000 in expenses and revenue are budgeted to cover grant activities.

GAMP administrative revenue increases by \$250,000 (28%) from \$900,000 to \$1,150,000 based on an increase in the application fee from \$35 to \$45.

#### 7900 **Department on Aging**

Expenditures increase \$13,687,885 to \$180,846,873 and revenues increase \$14,393,020, to \$179,743,198, almost all related to expenditure and revenue increases in the Family Care program's Care Management Organization and reflect the increased per member per month capitated rate received from the State. Tax levy decreases \$705,135 from \$1,808,809 to \$1,103,675.

##### Elderly Services

With Medicare Modernization Act Transition Grant funding set to expire, the State will provide one-time only funding of \$34,220 for education and outreach efforts for the period of January through June 2007.

2007 is the fourth year of a \$1,110,000 four-year Robert Wood Johnson Foundation Community Partnerships and Older Adults grant to fund a Connecting Caring Communities Initiative. The grant for 2007 is \$276,556 with additional funding from the Helen Bader, Faye McBeath and Greater Milwaukee Foundations.

\$1,370,808 is budgeted to contract with private vendors to provide special transportation services to older adults not eligible for Transit Plus.

##### Senior Meal Program

Expenditures increase \$42,732 due to increased food expenditures based on experience and is totally offset by increased revenue. Meal sites remain at 31.

##### Senior Centers

\$300,000 is budgeted to address the maintenance needs of the five County senior centers, with projects based on a long-range plan developed by the DAS Fiscal Affairs Division. In 2007, \$1,258,867 is budgeted for County support of operations for the five County owned sites, same as the 2006 level.

##### Resource Center

Expenditures increase \$456,634 due to increases fringe benefits, IT services and space rental costs. Revenues decrease by \$466,246 due to an increase in Functional Screening revenues.

##### Care Management Organization (CMO)

CMO revenues increase \$13,521,942 based on an increased per member per month capitated rate from the State, increased new enrollments from 138 to 318, and an increase in the average number of clients served per month from 5,639 to 6,048. Expenditures increase \$12,227,256 mainly for member services. The CMO anticipates a surplus of \$2,996,598 for 2007, of which \$1,498,299 will be paid to the County, with an equal amount placed in an expenditure reserve within the CMO.

8000 **Department of Health and Human Services**

Expenditures increase \$8,592,087 (5%) to \$189,888,652 and revenues increase \$9,389,384 (6%) to 171,425,257. Tax levy decreases \$797,297 to \$18,463,395.

The State continues intercepting \$20,101,300 from Milwaukee County's State Shared Revenue payment and \$38,792,200 from Community Aids revenue annually to fund the State Bureau of Child Welfare.

An appropriation of \$106,750 is budgeted in 2007 for continued development and maintenance of the single client database across all DHHS divisions.

Economic Support Division (ESD)

Expenditures increase \$3,722,185 due to increased Personal Services costs and revenues increase \$3,033,329 based on actual experience and Federal match revenue from Income Maintenance (IM) increases resulting from additional budgeted tax levy to support operations.

\$1,521,480 of revenue is budgeted in 2007 for Child Care eligibility and other functions performed by ESD staff in support of Wisconsin Works (W-2).

Based on preliminary notification from the State, ESD projects Income Maintenance (IM) revenue of \$16,058,198, \$25,122 less than the 2006 State IM contract. Due to increased countywide fringe benefit charges the State IM contract supports fewer workers and 42 IM positions are abolished for a savings of \$1,567,813 because of inadequate State funding.

Funding for the Community Information (211) phone line is discontinued, saving \$120,000 in the ESD Budget and \$80,000 in the BHD Budget.

\$8,473,417 of Child Day Care administration revenue from the State is budgeted for 2007.

Health and Safety funding increase by \$476,577 from \$122,882 to \$599,459 and includes a \$125,000 allocation for the Coggs-Center Child Care Drop-off Center that also serves as a best practices training model.

\$2,718,820 in revenue is budgeted for Home Energy Assistance per the State contract in 2006. DHHS will contract with SDC, which currently operates 10 energy sites, to operate the 11th Low Income Energy Assistance Program site.

W-2 and Supplemental Security Income (SSI) burials decrease \$135,268 based on experience.

Delinquency and Court Services Division

Expenditures increase \$1,132,344 (3%) to \$39,742,337 due to Personal Services increases and revenues increase 2,277,537 (10%) to \$25,574,705 for a tax levy reduction of \$1,165,037.

Youth Aids revenue is budgeted at the estimated 2006 contract amount of \$32,267,827, a decrease of 64,597 from 2006.

Total State Department of Corrections charges for juveniles placed into State custody by Children's Court Judges are projected at \$18,820,510, a decrease of \$2,156,795 from 2006. This decrease results in \$13,447,317 of Youth Aids revenue to be utilized for community-based programs. This projection is based upon the most recent 18-month period and a projected 3% rate increase effective July 1, 2007 in anticipation of the 2007-09 State Budget.

Total Corrections charges and census changes are:

<b>Program Component</b>	<b>Placements</b>	<b>Change</b>	<b>Expenditures</b>	<b>Change</b>
Department of Corrections	205	(30)	\$17,637,705	(\$1,743,987)
Child Caring Institutions	14	(3)	\$1,290,054	(\$183,491)
Aftercare			\$698,928	(\$82,514)
Corrective Sanctions Program			\$937,810	(\$146,803)
<b>Total</b>	<b>219</b>	<b>(33)</b>	<b>\$20,564,497</b>	<b>(\$2,156,795)</b>

Prior year State contract reconciliation revenue is budgeted at \$1,050,000, an increase of \$200,000 from \$850,000 budgeted in 2006. An additional \$800,000 of prior year revenue is budgeted in the Disabilities Services Division for a total of \$1,850,000 in the DHHS budget.

Expenditures for the Firearm Offender Supervision program, which diverts delinquents from institutions into community programs, increase slightly to \$810,675.

DHHS will pay \$8,032,174 for 350 slots in the basic Wraparound Program, the same amount as 2006.

DCSD will pay \$1,768,416 for 47 slots in BHD's intensive Wraparound Program known as FOCUS, a \$65,700 increase from the 2006 level to provide more intensive services.

Ten positions are abolished for a tax levy savings of \$415,959.

Funding for the Youth Sports Authority is discontinued in 2007 for a savings of \$150,000.

#### Disabilities Services Division

Expenditures increase \$3,693,137 (4%) to \$101,442,506 due to increased client services and revenues increase \$4,077,892 (4%) to \$98,546,935 for a tax levy reduction of \$384,755.

Funding for Long Term Support client services increases \$2,841,951 based on experience and expenditure needs.

The State's implementation of its Intermediate Care Facility-Mentally Retarded Rebalancing Initiative (ICR-MR) and changes in statutory guidelines will require DSD to relocate approximately 60 new clients in 2007.

\$436,388 for transportation services for LTS participants will be built into service plans for participants in work and day programming in order to draw down \$251,578 (57.7%) in Federal reimbursement.

In 2005, DSD implemented a staff realignment and information technology enhancements to maximize Medical Assistance Personal Care (MAPC) revenue. This revenue is reimbursement from Federal government for services provided to LTS clients. In 2007 MAPC revenue increases \$500,000 to \$3,855,276.

State contract reconciliation revenues increase \$300,000, to \$800,000.

Two vacant Human Service Worker positions are abolished for a savings of \$93,615.

#### Management Services Division

The Contract Administration section was reorganized and expanded in 2005 to enhance department-wide contract monitoring and quality assurance activities. In 2007 one position of Contract Services Coordinator is created at a cost of \$54,417.

\$215,575 in space occupancy savings is produced by consolidation of Management Services at the Coggs Center, in addition to savings for other Org. 8000 DHHS divisions who receive a reduction in their Coggs Center space charge due to full building occupancy.

#### **9000 Department of Parks, Recreation and Culture**

Direct tax levy support for the Parks Division decreases by \$175,279 from \$18,481,451 in 2006 to \$18,306,172 in 2007. Personal services expenditures, without fringe benefits, decrease \$1,575,291 from \$17,843,353 to \$16,268,062. Fringe benefit expenditures increase \$1,137,449 from \$6,534,805 in 2006 to \$7,672,254 in 2007. The number of funded positions decreases by 83.4.

The Parks Department is implementing a new, three-year aquatic plan that includes:

- Closing the deep well pools at Noyes, Pulaski, Holler, Lincoln and Jackson Parks for a net tax levy savings of \$1,012,122; and
- Closing 29 wading pools for a net tax levy savings of \$458,258; and
- Constructing a new family aquatic center at Lincoln Park to be opened in 2009 (incorporated in the capital improvements budget); and
- Replacing the Jackson Park and Dineen Park deep well pools and the Algonquin Park and Jacobus Park wading pools with splash pads in 2007 (incorporated in the capital improvements budget); and
- Replacing the other 21 wading pools with picnic pavilions beginning with Lyons, Rainbow, Vogel, Smith, Tiefertalder, Mitchell, Walker Square, Cannon, Lindsay, Lindbergh and Columbus Parks in 2007 (incorporated in the capital improvements budget).

In addition, the Parks Department is instituting a season pass for the 2007 aquatics program at a cost of \$15/adult and \$10/child. Other fee changes include reducing the child admission rate to Washington Park pool from \$1.50 to \$1.25, increasing the admission rates to the deep well pools to \$5.00 for adults and children and increasing recreation provider fees from \$0.50 to \$1.00 for all child and chaperone groups.

The Parks Department is introducing an Adopt-A-Beach initiative for Bradford and McKinley Beaches. The program is geared toward receiving donations from corporate entities, individual citizens and other sponsors to offset costs associated with staffing and



maintaining these beaches. There will be minimal staffing consisting of only seasonal lifeguards.

Twenty skilled trades positions are transferred from Facilities Management to the Parks Department and then abolished. In their place, \$1 million is appropriated to purchase Time and Material contractor services for facility and equipment repairs.

Revenues are decreased \$1,551,247, from \$19,230,395 in 2006 to \$17,679,148 in 2007. This estimate better reflects historical patterns and market conditions as well as the revenue losses associated with closing the deep well and wading pools.

The revenue budget also includes anticipated revenue increases associated with golf, parking revenue at O'Donnell Park and fee increases related to the revenue study currently being undertaken by Aurora University. This report will be submitted to the County Board in October 2006.

**9500 Zoological Department**

Tax levy funding for the Zoo decreases \$54,866 from \$5,687,983 in 2006 to \$5,633,117 in 2007. Personal Services without employee fringe benefits decreases \$51,813; however, the Employee Fringe Benefits Account increases \$1,122,016. A total of 3.7 position equivalents are unfunded or abolished, most of which are in the Operations Division.

Zoo admission fees increase \$0.75 so that, for example, admission fees for county residents from April 1, 2007 through October 31, 2007 will be \$8.75 for adults, \$5.75 for children ages 3-12, and \$7.75 for seniors. For non-County residents, the fees will be \$10.50 for adults, \$7.50 for children ages 3-12, and \$9.50 for seniors. In addition, parking rates increase \$1.00, from \$8.00 to \$9.00.

Sting Ray special exhibit fees decrease from \$2.50 to \$2.00; however, an additional .41 FTE Zoo Worker is created for the purpose of providing support staff for the exhibit. The cost of adding this position is \$10,055 in salary and social security.

Due to fiscal constraints, advertising expenditures decrease by \$75,000; Holiday Night Lights is eliminated, for a tax levy savings of \$17,018, and the Animal Division budget is reduced by \$76,750.

The Department of Administrative Services – Labor Relations will study the reallocation of Zoo Workers to help the Zoo maintain and compensate quality workers and achieve fiscal savings. A lump sum salary reduction of \$30,000 has been budget in anticipation of the reallocation.

Zoological Society support continues at \$438,000 in 2007. The Zoological Society will also secure additional funding for the Zoo through in-kind donations and sponsorships of various exhibits in the amount of \$115,750.

**9700 Milwaukee Public Museum**

Milwaukee County's contribution to the Milwaukee Public Museum decreases \$175,119 from \$3,502,376 in 2006 to \$3,327,257. This amount is based on the formula for funding stipulated in the governing lease and management agreement, which states that annual funding is reduced 5% from the previous year's funding.

9910 **Milwaukee County University Extension Service**

Funding for the Extension decreases slightly by \$349 to \$210,040 in 2007.

A 0.25 FTE - Clerical Assistant 2 position is unfunded but hours for this position may be restored if additional funds become available from grants and contracts.

9960 **General County Debt Service**

The tax levy (or sales tax revenue) needed for the General County Debt Service decreases in 2007 by \$2,195,831, from \$46,756,071 to \$44,560,240. Total debt service principal and interest decreases by \$1.5 million, from \$55.8 million to \$54.3 million. Contributions from the Debt Service Reserve (DSR) total \$3.4 million, an increase of \$1.2 million from the \$2.2 million provided in 2006. The DSR contribution of \$3.4 million includes: \$2,319,664 of 2006 bond proceeds (premium from the 2006 G.O. sale, unallocated bond proceeds and accrued interest) and \$1,091,894 of lapsed bond proceeds after an adjustment for an arbitrage liability and a budget correction to the DSR. This results in a balance in the debt service reserve of \$0.

Debt Service revenues decrease \$573,171, from \$6,887,728 to \$6,314,557 for 2007. This is primarily due to a decrease of \$422,000 in the anticipated payment from Froedtert Memorial Lutheran Hospital. The hospital payment is based on 5.25% of net operating cash flow and will not be determined until sometime in 2007. There are two outstanding State Trust Fund loan obligations for 2007: \$18.6 million for prior pension contribution variances and \$539,524 for equipment purchases. The total debt service payments budgeted in 2007 for these loans are \$4,522,568.

**SECTION 4 – ISSUES / CONCERNS / QUESTIONS**  
**2007 RECOMMENDED BUDGET**

**Non-Departmental – Revenues:**

**1933 Land Sales**

Should 10% of the first \$4 million (\$400,000) of land sale proceeds be used to fund positions in the Economic and Community Development department?

Milwaukee County has successfully approved the sale of four blocks of the former Park East Freeway lands. What is the estimated schedule for marketing of the remaining acres?

What other county-owned lands are available for sale in 2007, such as tax deed parcels?

Will any revenue from the future sale of real estate be allocated to the Inclusive Housing Fund (WO043), adopted in the 2006 Capital Improvements budget?

If the land located at 6th and State is sold in 2007, how will employee parking, which is now on this site, be provided to courthouse complex employees?

**1937 Potawatomi Revenue**

What is the basis for the reduction of \$100,000 in projected revenue?

**1969 Medicare Part D Revenue**

What is the basis for the projected revenue decrease of \$639,936? What is the anticipated 2006 payment?

**1992 Earnings on Investments**

Interest rates are projected to increase by 1.2% next year, from 3.0% to 4.2%. Could this impact the viability of a pension obligation bond issuance? What is the reason for a 62% increase in the average investment balance from \$202 to \$267 million? Earnings on Investments increase \$1,980,000 from \$4,420,000 to \$6,400,000. This increase is based on an average investment balance of \$267 million at 4.20%. The 2006 budget was based on an average investment balance of \$202 million at a rate of 3.0%.

Investment management service fees are increasing approximately 29%, from \$190,000 to \$245,000, primarily due to the addition of a third consultant to help manage the investment portfolio. Is the addition of a third investment consultant cost effective? *(Relates to Org. 1989 – Investment Advisory Services)*

**1996 County Sales Tax Revenue**

Has the reconciliation of sales tax proceeds with the State Department of Revenue been resolved? Is the projection of 1.7% in growth consistent with the projected sales tax revenue for 2006?

**1999 Miscellaneous Revenue**

Other miscellaneous revenue is budgeted at \$78,000, a decrease of \$662,000 over 2006. Have anticipated tax incremental financing district closings for 2007 been reported for all municipalities?

### **Non-Departmental – Expenditures:**

Can Milwaukee County afford to continue its direct subsidy of the Milwaukee Art Museum when it is unable to sustain its own cultural institutions and programs, including the Charles Allis and Villa Terrace Museums, Marcus Center for the Performing Arts, War Memorial Center and the Milwaukee County Fund for the Arts program?

#### **1945 Appropriation for Contingencies**

The Recommended Budget includes \$3,110,427, a decrease of \$6,199,631 from the \$9,310,058 provided in 2006. Does this amount provide enough protection to help offset budgetary shortfalls and avert a year-end deficit?

#### **1950 Employee Fringe Benefits**

Total expenditures for fringe benefits increase by \$37,236,175 from \$161,937,944 to \$199,174,119. This is primarily due to an increase in the contribution to the retirement system (pension contribution) of \$25,365,000 and an increase of \$9,943,743 in employee health costs. Will previously implemented health care plan design changes (pending with employees represented by DC48) continue to steer employees and retirees into less costly plans? Policymakers will also be grappling with a proposed \$449 million pension obligation bond proposal to address the unfunded liability associated with Employees Retirement System. *(See discussion in Section 1 regarding concerns and questions with a pension obligation bond proposal)*

#### **1989 Investment Advisory Services**

Investment management service fees are increasing approximately 29%, from \$190,000 to \$245,000. Why are investment management services fees rising so rapidly? *(Relates to Org. 1992 – Earnings on Investments)*

### **Departmental:**

#### **1140 - DAS – Division of Human Resources**

Labor Relations is removed from DHR and established as its own division within the Department of Administrative Services. Fiscal oversight for health care has been transferred to DAS – Fiscal and Strategic Services and \$500,000 is included to purchase health benefits administration services and strategic direction on plan design. Additionally, in July 2005, the County Board authorized a contract with Ceridian Corporation to manage the detail of position history, organizational hierarchy, payroll calculations, applicant recruitment and distribution of deposit notices and related reports.

Many of the major functions of the Division have been relocated, reassigned, or purchased through contract and, in addition, approximately 25% of DHR staff are eligible to retire. Does the Division have an effective vision for managing change and providing quality human resources services in light of its diminished role in Milwaukee County government? What role will the proposed Intern positions have in delivering those services?

Would the project management team in DAS – Information Management Services Division be better equipped to handle oversight of the implementation of the Health Administration System for the ERS?

**1151 Department of Administrative Services – Administration and Fiscal Affairs**

The DHHS Reimbursement Unit is transferred to DAS-Fiscal in 2007. This results in a professional service increase of \$90,709, offset with reimbursement revenue. How much reimbursement revenue, if any, is anticipated for 2007 in excess of the cost of the position?

**1152 Department of Administrative Services - Procurement Division**

The Procurement Division will increase strategic partnerships with other County departments and regional agencies to utilize collaborative contract agreements to reduce the demand on staff. What has been the impact of partnerships entered into thus far?

**1160 Department of Administrative Services – Information Management Services Division**

The 2007 Recommended Budget includes numerous initiatives as part of the strategic direction of privatizing routine tasks and reorganizing to support the transition from mainframe legacy systems to a networked server environment, including web-based technology. Which specific ‘certain rote tasks’ are scheduled for outsourcing and why were those functions selected over others? Do contract employees provide greater flexibility and efficiency in serving the information technology needs of County departments? Can the services being provided and crosscharged to the Sheriff’s Office, Aging and DHHS be bundled with the other contracted services at an overall countywide savings? What has been the response to previous outsourcing initiatives, such as the Help Desk?

Genesys, the current payroll system, will remain operational through 2007 for retirees while the retirement system completes development of their new system. Why has the Pension Board interface been delayed?

The plan to expand regional efforts in IMSD could be a cost-effective strategy for increasing efficiency among several local jurisdictions. However, such regional collaboration raises significant governance, service, liability and equity issues. What steps has IMSD taken to assure that the interests of the County and its taxpayers are sufficiently protected? Are agreements properly vetted through the Administration and the County Board?

**1192 Economic and Community Development**

What is the rationale for creating two Economic Development Specialist positions in the Real Estate Division?

Why isn’t the Housing Choice Voucher Section (Section 8) transferred to DHHS-Behavioral Health Division along with the Special Needs Homeless Section? Does this transfer affect federal revenue for the remaining Economic and Community Development Division positions in the 2007 budget?

Why is a Housing Program Assistant for rent assistance unfunded, even though it is 100% federally funded and revenues increased \$420,789?

Why is one Fiscal and Management Analyst 2 position unfunded even though it was created in 2006 at the department's request to address a deficit in the rent assistance program which occurred in 2005? This position is 100% federally funded.

What impacts will the initiatives in the Department of Health and Human Services – Behavioral Health Division have on the Economic and Community Development Division in 2007?

**2000 Combined Court Related Operations**

The bailiff reductions outlined in the narrative are addressed in Section I of this overview.

The interdependence of the Courts, the Sheriff's Office and the District Attorney drives the successful operation of the criminal justice system. What is the potential impact to Courts operations from the budget restrictions on the Sheriff and District Attorney's offices?

**3090 County Treasurer**

Does the Treasurer have the resources to increase the number of delinquent tax notices processed by 60%, from 4,000 to 6,400?

A total of \$325,000, an increase of \$45,000, is budgeted for administrative fees for investment of the County's short-term cash deposits. This includes \$75,000 in the Treasurer's budget and \$245,000 in a new non-departmental account, Org. 1989, Investment Advisory Services. Is the addition of a third investment consultant cost effective? (*Related to Org. 1992 – Earnings on Investments and Org. 1989 – Investment Advisory Services*)

Due to recent State legislation, a pilot Tax Return Intercept Program (TRIP) will be implemented in 2007 in order to collect delinquent property taxes. Will this new collection tool be used for all delinquent property taxes?

**3270 County Clerk**

For 2006 the County Clerk anticipated contracting for data entry services to eliminate the backlog in publishing the Journals of Proceedings. This professional services contract is not included in the 2007 Recommended Budget. What is the plan for fulfilling the statutory obligations for record keeping in this office?

**4000 Office of the Sheriff**

The bailiff reductions outlined in the narrative are addressed in Section I of this overview.

During 2006, the Sheriff adopted a new parks patrol policy that moved parks patrols from an overtime project to a targeted enforcement project staffed with 25 Deputies with additional overtime support during peak periods. How does the staffing pattern envisioned in the 2007 Recommended Budget correlate with the Parks Patrol plan developed by the Sheriff in the summer of 2006?

A personal services expenditure reduction of \$500,000 is included and attached to the implementation of the Jail Booking Interface under the assumption that certain positions can be held vacant after the project is launched. However, the Jail Booking Interface is

not funded in this budget, either in capital or operations, obviously jeopardizing its implementation in 2007. How will this inconsistency be rectified?

How will the reduction of 16 Deputy Sheriffs who serve writs, warrants, and restraining orders, impact Courts and the District Attorney? What is the public safety impact?

The interdependence of the Courts, the Sheriff's Office and the District Attorney drives the successful operation of the criminal justice system. What is the potential impact to the Sheriff's operations due to the budget restrictions of the Courts and District Attorney's office?

**4300 House of Correction**

How are Municipal Board rates established and why are suburban municipalities billed at twice the rate of the City of Milwaukee?

**4500 District Attorney**

Approximately 40% of the positions in the District Attorney's Office are grant funded, while the balance are funded through tax levy, including investigators, paralegals, process servers and support staff. The \$2 million lump sum expenditure reduction will likely have the greatest impact on the tax levy funded positions. What will be the departmental impact of this expenditure reduction? What are the possible ramifications for the Courts and Sheriff's Office? Conversely, what is the potential impact to the District Attorney's office due to the budget restrictions of the Courts and the Sheriff's Office?

**5040 Department Public Works – Airport Division**

The 2007 budget appropriates \$115,000 for contractual cleaning services to be provided in the new hammerhead of the C Concourse. County employees will clean the remaining Concourse area, and all other areas of the airport. Since the hammerhead area is expected to open in July of 2007, is the \$115,000 a half-year amount? Could existing County employees do this work?

**5080 Department of Public Works - Architectural, Engineering and Environmental Services**

Of the 12 positions unfunded in the 2007 budget, 8 are filled, which will result in layoffs. These positions include: (2)Clerical Assistant-1, (2)Record Center Technicians, (1)Contract Payment Analyst, (1)Specification Writer, (2)Architectural Designers. Programmatic impacts include greater administrative staff level work being performed by technical staff, infrequent updating of databases, less time for project oversight by technical staff, and the possible use of temporary staff and consultants at added expense.

One of the unfunded and currently unfilled positions is that of Airport Engineer. This position has been posted for over a year. There have been no qualified applicants due to the inadequate salary level. This position provides project oversight for all airport capital projects and is the lead engineering staff person for the Airport. Airport funds are used to support this position; no tax levy support is used. Should this position be retained and the salary amount raised to attract qualified applicants, given the high level of current and future capital projects?

5100 **Department of Public Works - Highway Maintenance**

Resurfacing and overlaying of road surfaces has been eliminated for 2007; are there roads that qualify for resurfacing or overlaying based on the Pavement Condition Index? In addition, will the lack of resurfacing or overlaying cause greater road damage that will require more costly reconstruction?

5300 **Department of Public Works - Fleet Maintenance**

The 2007 budget requests an outsourcing of the parts operation within the Fleet Maintenance Division. This will require a layoff of 5 positions of Auto & Equipment Parts Technicians that are currently funded. It is anticipated that the contractual service firm that takes over this operation will hire the current five incumbents.

Each department will determine its appropriate fuel consumption needs beginning in 2007. What will happen if fuel prices escalate, or if travel needs are greater than anticipated? Does each department affected by this change have adequate and knowledgeable staff to monitor fuel fluctuation on an ongoing basis?

5600 **Milwaukee County Transit/Paratransit System**

Transit's net OPEB liability is currently calculated at \$7,514,867. Transit management has made the assumption that significant changes to its medical insurance benefit provided to active and retired employees will provide a level of savings adequate to cover the current OPEB liability during contract negotiations scheduled for spring of 2007. Should transit management not be able to achieve this level of savings, funding will have to come from some other source. The budget narrative states that MTS, the contract provider of transit services, will have to make up this shortfall by means other than route cuts and fare increases.

Adult ticket and pass fares increase for the third time in four years. Adult tickets and passes are raised from \$14.00 to \$17.00. Cash fares are currently \$1.75 and are not scheduled to change. The increase in adult tickets and passes translates to \$0.50 discount on tickets and passes as compared to cash fare for a person using transit services twice a day for five days. Milwaukee County pioneered the deep discount rate as a means to speed service by reducing time for fare collection. In addition, the current fare payment technology is 20+ years old. Greater cash collection will ultimately lead to a higher than average amount of equipment failure.

Three different student fare payment options will be discontinued in 2007. The Student with Permit rate of \$1.30 per one-way trip, the Student Fare Ticket book of 10 for \$13.00, and the Student Weekly Pass of \$13.25 will all be discontinued. The only remaining student fare payment option will be the Student Special Weekly Pass, which will increase from \$13.75 to \$16.00. Currently, each MPS school decides how it will handle transit payment options. While some schools may use one specific option, another may use a different payment option. Since most school payment options have time restrictions, some schools have opted for purchasing regular adult fare passes because it provides for maximum flexibility. The Special Student Weekly Pass currently has a time use restriction of 6:00 am to 6:00 pm and is the preferred pass option for most schools.

U-Pass and Commuter Value passes will increase in 2007. U-Pass will increase from \$41.00 to \$44.00 per semester, and Commuter Value Passes will increase from \$155 to \$189. The U-Pass Program is currently offered at Marquette and UWM. UWM's



Student Government has to approve any fare changes to the UWM U-Pass Program after the Milwaukee County budget process is completed. If the UWM Student Governmental body rejects the fare increase, the loss of over \$2 million in revenue could be lost. This would ultimately mean the elimination of specific routes to UWM such as the Routes 40U, 44U, and 49U. In addition, enhanced service hours on Routes 21 and 60 would be eliminated. The cost to maintain the U-Pass Program at its current rate of \$41.00 would require \$93,000 for the 2007 budget, \$186,000 annually.

Other fare increases include Premium Fare Ticket Book of 10 increasing from \$19.00 to \$22.00, and paratransit fares increase from \$3.25 to \$3.50.

The Director and Deputy Director's compensation will be reduced by \$130,907. The current combined compensation amount for both individuals is \$342,958. The current Transit Management Contract, which expires at the end of 2006, provides payment for the Managing Director and Deputy Director's FICA, Medicare, Medical Insurance, Life Insurance, Dental Insurance, Life Time Disability Policy, and State Unemployment Insurance. In addition, the County provides a payment for each individual's Deferred Compensation Benefit (457 plan) and for their pension contribution. The salary and benefit cut proposed in the budget could lead to the resignation of one or both individuals. This policy initiative asks the question; should the county determine a salary structure for a contract service provider?

While federal formula funds used to offset maintenance costs (capitalized maintenance) is being reduced \$100,000, it should be noted that the current rate of capitalized maintenance draws the total amount of federal funds available for future capital purchases.

There are no transit capital projects included in the 2007 budget.

**5700 Department of Public Works - Facilities Management**

Facilities Management will undertake a significant outsourcing initiative in 2007. The areas of housekeeping and security are the two primary areas scheduled for outsourcing. A total of 38 Facility Worker-4 positions, and 34 Facility Worker Security positions will be abolished which will mean all 72 people in these positions will be laid off. An additional 8 people in the positions of Facilities Maintenance Supervisor, Facilities/Grounds Supervisor, Buildings Painters, Painting Supervisor, Machinist, Machinist Lead, Carpenter, and Steamfitter Welder will be laid off.

Facilities has budgeted amounts of \$1,615,921 for housekeeping and \$1,000,000 for security. Does Facilities have a staffing plan for these contracted amounts? Will there be a reduction in the level of service provided based on these amounts? Will new contract service providers provide adequate incentives for employee retention such as health care benefits? If not, will there be issues of turnover and retraining?

The Eschweiler Buildings were vacated in 2006 and are not listed as a property on the 2007 anticipated land sales (Org. Unit 1933) list. The result of this action is a tax levy increase of \$43,869 to operate building utilities in order to keep the building up to code. Why was the building vacated with lease paying tenants and not listed as a property for sale? Has this action resulted in an unnecessary tax levy increase for 2007?

The Muridale Building is currently subsidized by Milwaukee County tax levy of \$221,350. Should the County sell this property so it can become a tax generating property instead of a tax subsidized property?

Monthly parking fees are increased at all current lot locations. The Museum lot and 6<sup>th</sup> and State lot will increase from \$40 to \$75 per month for County employees; 6<sup>th</sup> and State will remain at \$4 per day (\$80 monthly) for the general public. The new surface lot replacing the Annex and the Medical Examiner dock area will cost \$80 per month. Pabst City revenue is also anticipated at \$73,800; however, County employees will no longer use this lot next year. The total revenue for each lot listed in the budget is \$499,617; however, total parking revenue is stated at \$662,516. This appears to leave a shortfall in parking revenue of \$162,899.

**6300 DHHS – Behavioral Health Division (BHD)**

Is there an adequate plan for implementing the package of initiatives for housing for the homeless and mentally ill in a coordinated way that achieves the intended purpose?

Is \$1million in anticipated Medicaid funding for Comprehensive Community Services achievable?

What is the total fiscal impact on BHD of changing from a Proprietary to a General Fund?

**7200 DHHS - County Health Related Programs**

What initiatives are underway to ensure the General Assistance-Medical Program (GAMP) is preserved in future years?

**8000 Department of Health and Human Services**

What effect will the abolishment of 42 Income Maintenance Workers have on DHHS departmental service levels?

Being year three of the three-year Access to Recovery Grant (ATR), what initiatives will take place to maintain this AODA services funding?

**9000 Department of Parks, Recreation and Culture**

The flat fringe cost per employee attributed to each department places a heavy burden on the Parks Department whose employees' average salaries are comparatively low. The Parks Department's average salary is \$31,713 yet it is assigned a flat fringe benefit cost per employee of \$37,334 for a fringe benefit rate of 118%. How can the Parks Department continue to sustain operations with this type of loaded fixed costs?

Parks cannot continue to sustain the personnel cuts given the number of facilities that need maintenance and repair, as well as the day-to-day maintenance of lawns and vegetation. Even a reduced aquatics program still needs management and administration. In addition, more public/private partnerships between the Parks Department and private partners require more departmental oversight. And the increase in redevelopment of properties within Milwaukee County places a strain on the Parks Department for easements, permits, etc.

The Parks, Energy and Environment Committee and the County Board have not considered the three-year aquatics master plan developed by the Parks Department. Nor has the Aquatics Master Plan Study Committee weighed in as of this writing. The plan is devoid of any recent market analysis, population data, etc. that would suggest building a family aquatic center at Lincoln Park and splash pads at Algonquin, Jackson and Jacobus Parks is economically feasible or desired by the community.

There are eleven park pavilions proposed in the budget, at a total cost of \$162,500. Considering that the Parks Department has millions of dollars in building deficiencies throughout the system, is it wise to invest in eleven new park pavilions when the Department has not even taken the time to work with the affected neighborhoods to determine what might be appropriate for that area?

What level of service can be expected from Time and Materials contracts as a replacement for in-house skilled trades staff? What if an emergency occurs in one area within the Parks Department that requires a skilled tradesperson but it is not part of the T&M contract or the Parks Department has come close to exceeding the \$1 million budget? Does the work not get done? Does it end up costing more than if there was in-house staff to deal with the emergency? Does a \$1 million T&M contract get the county a full complement of skilled trades people as we now have on staff?

Will the county now be exposed to market rates that will likely increase at a much faster rate than the hourly rate earned by County workers?

Given the exorbitant amount of building deficiencies, shouldn't there be more money in the Parks infrastructure budget?

The budget write-up was not accompanied by a fee schedule. Therefore, it is unknown as to what fees will be charged at Parks' venues and how those fees may or may not realistically result in the projected revenues.

What is the advantage to Milwaukee County of transferring ownership rights of Bender Park to the City of Oak Creek (as identified in the Capital Budget Introduction)? Bender Park is available right now to all County residents. Because it was purchased with Land and Water Conservation Funds, any funding that Milwaukee County would receive for purchase of the property (if permitted by the Department of the Interior) would need to be paid back to the Department of the Interior. Therefore, Milwaukee County would not receive a direct financial gain from this proposal.

9500 **Zoological Department**

What will be the impact on Zoo admissions given a \$0.75 increase in all admission rates and a \$1.00 increase in parking fees?

How will a decrease in the Sting Ray exhibit attract more visitors when the fee for entering the Zoo has increased? Where will the funding come from for the .41 FTE for the Sting Ray exhibit?

What are some of the items reduced in the Animal Division budget?

9960    **General County Debt Service**

The Debt Service Reserve has an available balance of \$0. This affords little flexibility in case of a sudden debt service need.

**SECTION 5**  
**2007 RECOMMENDED CAPITAL IMPROVEMENTS**  
**BUDGET – OVERVIEW**

**Airports (WA)**

**WA044 GMIA In-Line Baggage Screening Phase 1**

Expenditure: \$11,214,800

Revenue Reimbursement: \$0

Net County Commitment: \$11,214,800. Financing will be provided with \$10,925,300 in Passenger Facility Charge revenue and \$289,500 in investment earnings.

Funds are requested to reconfigure the airline ticketing and baggage make-up areas to provide in-line baggage screening between the ticket counters and the new shared baggage make-up areas. The current location of this equipment is located in the ticketing lobby causing congestion and inefficiencies in both TSA screening and airline ticketing operations.

**WA082 GMIA Firehouse Road Reconstruction**

Expenditure: \$980,000

Revenue Reimbursement: \$735,000 in Federal revenue and \$122,500 in State revenue.

Net County Commitment: \$122,500 to be financed with Passenger Facility Charge revenue.

An appropriation is included for the reconstruction of the road accessing and surrounding the GMIA firehouse. This project is Airport Improvement Program (AIP) eligible which provides 75% Federal funding and 25% local match split between the State and PFC.

**WA089 GMIA Air Cargo Building Roof Replacement**

Expenditure: \$914,500

Revenue Reimbursement: \$0

Net County Commitment: \$890,900 in General Obligation Bonds and \$23,600 in investment earnings.

An appropriation is included for the replacement of the GMIA Air Cargo building roof.

**WA091 GMIA Terminal Mall Public Restroom Renovation**

Expenditure: \$150,000

Revenue Reimbursement: \$0

Net County Commitment: \$150,000 to be financed with Passenger Facility Charge revenue.

Project funds will be used for design portion for the future renovation and improvements for four sets of restrooms located on the mall level of the terminal building. The restrooms were constructed in 1984 and currently do not comply with ADA standards.

- WA093 GMIA South Maintenance Road Rehabilitation**  
Expenditure: \$1,515,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$1,515,000 to be financed with Passenger Facility Charge revenue.
- This project will replace the existing asphalt road that current serves many large and heavy vehicles, including those from the airport fire station, with a ten-inch deep concrete pavement surface.
- WA098 GMIA Equipment Storage Building**  
Expenditure: \$70,000  
Revenue Reimbursement: \$52,500 in Federal funds, and \$8,750 in State funds.  
Net County Commitment: \$8,750 in PFC revenue.
- Project funds will be used to design a new storage facility for the GMIA South Maintenance Shop. This project is Airport Improvement Program (AIP) eligible which provides 75% Federal funding and 25% local match split between the State and PFC.
- WA100 GMIA Security System Fiber Optic Cable Replacement**  
Expenditure: \$324,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$324,000 in Passenger Facility Charge revenue.
- Funds are included for study, planning and design of the Security System Fiber Optic Cable Replacement project. This project will replace the aging fiber optic network currently in place.
- WA104 GMIA Southside Trituration Building**  
Expenditure: \$35,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$35,000 in Passenger Facility Charge revenue.
- Funds are included for the design of the Southside Trituration Building designed as disposal facility of aircraft sanitary waste.
- WA107 GMIA Terminal Road Reconstruction**  
Expenditure: \$493,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$493,000 in Passenger Facility Charge revenue.
- Funds are included for the reconstruction of the roadway leading to the front ticketing drive. The current road surface is cracked and has experienced severe ponding during heavy rainfalls.

WA108      **GMIA Terminal HVAC Equipment Replacement**  
Expenditure: \$1,808,400  
Revenue Reimbursement: \$0  
Net County Commitment: \$1,761,700 in General Obligation Bonds and \$46,700 in investment earnings.

Funds are included for the replacement of five HVAC units. A total of 25 units will be scheduled for replacement from 2007 to 2011. The units scheduled for replacement are beyond their useful life.

WA122      **GMIA Airfield Pavement Rehabilitation**  
Expenditure: \$740,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$250,000 in Passenger Facility Charge revenue and \$490,000 from miscellaneous revenue sources.

Funds are included for the airfield pavement rehabilitation project, which includes concrete pavement joint repair and asphalt shoulder seal-coating. Airport Improvement Program (AIP) funds are eligible for this project and will be sought for the maximum amount possible. General Airport Revenue Bonds (GARB) will be utilized to finance the remaining portion of the project. Since the asphalt shoulder seal-coating is not eligible for AIP funds or GARB financing, the airport will cash finance this component.

## **Highways and Bridges (WH)**

WH010      **County Highway Action Program**  
WH010171/3      Expenditure: \$1,483,200  
WH010091      Revenue Reimbursement: \$632,000 of Federal funds and \$290,000 of State funds  
Net County Commitment: \$546,600 to be financed with general obligation bonds and \$14,600 of investment earnings.

This appropriation will provide funding for basic planning, and design phases for two projects: South 76<sup>th</sup> Street from West Puetz Road to West Imperial Drive (project WH010171/3), and West Hampton Avenue from North 92<sup>nd</sup> Street to Hwy 100 (project WH010091). The South 76<sup>th</sup> Street project includes an appropriation of \$872,800 and the West Hampton Avenue project includes an appropriation of \$610,400.

WH020      **Major Rehabilitation**  
Expenditure: \$442,500  
Revenue Reimbursement: \$210,000 of State funds  
Net County Commitment: \$226,500 to be financed with general obligations bonds and \$6,000 of investment earnings.

Funds will be used for the basic planning and design phase of West Mill Road from North 91<sup>st</sup> Street to State Highway 45. The design phase is scheduled for 2007 while construction is scheduled for 2008.

- WH030      **Bridge Replacement Program**  
Expenditure: \$2,102,000  
Revenue Reimbursement: \$1,670,400 in Federal funds  
Net County Commitment: \$420,300 to be financed with general obligation bonds and \$11,300 in interest earnings.
- Work will be done on two projects, the Milwaukee River Parkway Bridge over the Milwaukee River in Glendale, and the Oak Creek Parkway Bridge over Oak Creek.
- WH080      **Bridge Rehabilitation Program**  
Expenditure: \$1,510,000  
Revenue Reimbursement: \$1,200,000 in Federal funds.  
Net County Commitment: \$302,000 to be financed with general obligation bonds and \$8,000 in investment earnings.
- Funds are budgeted for the construction costs phase of the 76<sup>th</sup> Street Bridge over Forest Home Avenue. The project will be let in conjunction with a State bridge project over I43/I894 resulting in reduced overall project costs and less inconvenience to motorists.
- WH082      **National Highway System**  
Expenditure: \$2,158,000  
Revenue Reimbursement: \$1,578,560  
Net County Commitment: \$564,340 to be financed with general obligation bonds and \$15,100 in investment earnings.
- Funds are budgeted for the right-of-way and construction phases of East College Avenue and West Rawson Avenue projects.
- WH083      **W. Silver Spring Drive – North 124<sup>th</sup> Street to N. 69<sup>th</sup> Street**  
Expenditure: \$343,700  
Revenue Reimbursement: \$234,090 in Federal funds  
Net County Commitment: \$106,710 to be financed with general obligation bonds and \$2,900 in investment earnings.
- This appropriation will cover the cost of basic planning, design and construction phase for the West Silver Spring Drive road construction project.
- WH084      **South 76<sup>th</sup> Street – West Parkview Drive to W. Oklahoma Avenue**  
Expenditure: \$3,922,200  
Revenue Reimbursement: \$644,130 in Federal Funds and \$1,149,975 in State  
Net County Commitment: \$2,073,095 to be financed with general obligation bonds and \$55,000 in investment earnings.
- This appropriation will cover the cost of the construction phase of S. 76<sup>th</sup> Street.



WH086

**West Good Hope Road**

Expenditure: \$360,600

Revenue Reimbursement: \$280,500 in Federal funds

Net County Commitment: \$78,000 to be financed with general obligation bonds and \$2,100 in investment earnings.

This appropriation will cover the cost of the basic planning and design phase of West Good Hope Road.

**Environmental Services (WV)**

WV009

**Countywide Sanitary Sewer Repairs**

Expenditure: \$2,325,000

Revenue Reimbursement: \$0

Net County Commitment: \$60,000 to be financed by investment earnings and \$2,265,000 to be financed with general obligation bonds.

In 2004, Milwaukee County received a Notice of Violation/Notice of Claim from the Wisconsin Department of Natural Resources (WDNR) stating that they believed Milwaukee County to be in violation of the general permit for “Bypasses or Overflows from Sewage Collection Systems.”

The State Attorney General’s Office (AG) sent a proposed stipulation to the County that requires specific actions in order to avoid sanctions. Milwaukee County and 28 other municipalities worked jointly with the AG to finalize an agreed upon stipulation. While the stipulation was being finalized, Milwaukee County began manhole lid replacements and limited manhole chimney reconstruction.

In 2007, Department of Public Works - Environmental Services will continue the repairs of sanitary sewer manholes and continue the evaluation of the entire sanitary sewer system every five years.

WV011

**Bradford Beach Stormwater Outfalls Pretreatment**

Expenditure: \$1,334,900

Revenue Reimbursement: \$0

Net County Commitment: \$34,500 to be financed by investment earnings and \$1,300,400 to be financed with general obligation bonds.

This appropriation will be used to complete the construction of the Bradford Beach stormwater outfalls relocation and begin the design and installation of stormwater outfall pretreatment modules on two outfalls (OF-0 and OF-8) at Bradford Beach.

Because the Department of Public Works- Environmental Services Division has been unable to identify the source of E.coli bacteria infiltrating outfalls OF-0 and OF-8, the Department of Natural Resources will not issue Milwaukee County a stormwater discharge permit until the water from those outfalls is pre-treated. Therefore, the two outfalls will be fitted with pre-treatment devices with this funding.

WV012

**Pond and Lagoon Demonstration Projects**

Expenditure: \$312,100.

Revenue Reimbursement: \$0

Net County Commitment: \$8,100 in investment earnings and \$304,000 in general obligation bonds.

In 2002, the County Board directed the Director of the Department of Public Works to develop a pond and lagoon management plan. Subsequent water quality testing of the lagoons indicated advanced states of disrepair in most of the ponds and lagoons.

Knowing that the cost of needed repairs would be exorbitant, the Director recommended the establishment of a pilot program to try innovative, economical means to repair the pond/lagoon problems. Dineen, Humboldt and Jacobus Parks were selected because they are scattered throughout the County and because their needs are representatives of many other ponds/lagoons. This appropriation will fund the design and construction of repairs at Dineen, Humboldt and Jacobus Park lagoons in 2007.

**Milwaukee Public Museum (WM)**

WM003

**Electrical Distribution System Replacement**

Expenditure: \$1,046,800

Revenue Reimbursement: \$0

Net County Commitment: \$27,100 in investment earnings and \$1,019,700 to be financed by general obligation bonds.

Panel boards throughout the building are obsolete and malfunctioning and are no longer available from the manufacturer.

WM564

**Alcohol Specimen Storage Relocation**

Expenditure: \$279,000

Revenue Reimbursement: \$0

Net County Commitment: \$7,200 in investment earnings and \$271,800 to be financed by general obligation bonds.

Current specimen storage areas are in violation of City of Milwaukee codes. The City of Milwaukee has already cited the County for these violations.

Relocation will provide dedicated air supply and exhaust systems, fire rated separations and fire sprinkler coverage as required by code.

**Parks, Recreation and Culture (WP)**

**Potential Capital Initiatives Identified in Capital Budget Introduction**

Hoyt Park Pool: The Recommended Budget suggests a privately funded initiative to reconstruct Hoyt Park Pool.

Bender Park: The Recommended Capital Budget narrative proposes the transfer of ownership of Bender Park to the City of Oak Creek once details with the federal Department of Interior and the Department of Natural Resources have been confirmed.

WP017      **Countywide Trail and Hard Surface Renovation Program**

Expenditure: \$258,400

Revenue Reimbursement: \$0

Net County Commitment: \$6,700 in investment earnings and \$251,700 to be financed by general obligation Bonds.

Replacement of the Parks worst ranked asphalt walks and hard surfaces, as identified in the 2002/2003 system-wide assessment will continue with this appropriation.

WP028      **Dineen Park Aquatic Splash Pad**

Expenditure: \$523,150

Revenue Reimbursement: \$0

Net County Commitment: \$13,500 in investment earnings and \$509,650 in general obligation bonds.

This appropriation will be used for the installation of a splash pad at Dineen Park. Funding is included to upgrade the plumbing and electrical systems in the Dineen Park bathhouse in order to become compliant with Americans with Disabilities Act (ADA) regulations.

WP049      **Boerner Gardens Irrigation System**

Expenditure: \$96,100

Revenue Reimbursement: \$0

Net County Commitment: \$2,500 in investment earnings and \$93,600 in general obligation bonds.

The Boerner Botanical Gardens irrigation system is aging and continues to experience repairs. Its replacement with an automatic system for the gardens will help eliminate many of the major repairs, will allow more staff time to maintain the gardens, control the amount of water the plants receive and allow visitors to have a better experience by not having to walk over water hoses or through wet paths. This is the second phase of the irrigation project.

WP069      **County-Wide Play Area Redevelopment**

Expenditure: \$471,570

Revenue Reimbursement: \$0

Net County Commitment: \$12,200 in investment earnings and \$459,370 in general obligation bonds.

This appropriation will allow for the replacement of play areas classified as “C-“ to “C.”

WP070

**Parks Infrastructure**

Expenditure: \$101,990

Revenue Reimbursement: \$0

Net County Commitment: \$2,700 in investment earnings and \$99,290 in general obligation bonds.

The Parks Infrastructure budget includes the following two subprojects for 2007:

Oak Creek Parkway – Mill Pond Driveway (\$58,590) - replacement of a failed retaining wall on the south side of the driveway of the Mill Pond skate pavilion.

Jacobus Park Roof (\$40,000) - replacement of the Jacobus Park Pavilion roof.

WP100

**Algonquin Park Splash Pad**

Expenditure: \$872,500

Revenue Reimbursement: \$0

Net County Commitment: \$22,600 in investment earnings and \$849,900 in general obligation bonds.

Funding is appropriated for the planning, design and construction of a splash pad at Algonquin Park. The existing wading pool will be demolished, including disconnecting and capping the pool's utilities. A splash pad facility would be constructed similar to Gordon Park. The splash pad includes water geysers and interactive play toys.

WP101

**Jackson Park Splash Pad**

Expenditure: \$872,500

Revenue Reimbursement: \$0

Net County Commitment: \$22,600 in investment earnings and \$849,900 in general obligation bonds.

Funding is appropriated for the planning, design and construction of a splash pad at Jackson Park. The existing wading pool will be demolished, including disconnecting and capping the pool's utilities. A splash pad facility would be constructed similar to Gordon Park. The splash pad includes water geysers and interactive play toys.

WP102

**Jacobus Park Splash Pad**

Expenditure: \$872,500

Revenue Reimbursement: \$0

Net County Commitment: \$22,600 in investment earnings and \$849,900 in general obligation bonds.

Funding is appropriated for the planning, design and construction of a splash pad at Jacobus Park. The existing wading pool will be demolished, including disconnecting and capping the pool's utilities. A splash pad facility would be constructed similar to Gordon Park. The splash pad includes water geysers and interactive play toys.

WP105      **Lincoln Family Aquatic Center**  
Expenditure: \$1,136,700  
Revenue Reimbursement: \$0  
Net County Commitment: \$29,400 in investment earnings and \$1,107,300 to be financed by general obligation bonds.

The 1995 study by the Center for Urban Initiatives (CUIR) and the University of Wisconsin-Milwaukee recommended that the Parks Department construct two aquatic centers, including one on the north side of the county. Funding will be appropriated for the planning and design of an aquatic center at Lincoln Park. Construction will occur in 2008 with an opening scheduled for 2009.

WP106      **Lyons Park Pavilion**  
Expenditure: \$15,500  
Revenue Reimbursement: \$0  
Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Lyons Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP107      **Walkers Square Park Pavilion**  
Expenditure: \$15,500  
Revenue Reimbursement: \$0  
Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Walkers Square Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP108      **Rainbow Park Pavilion**  
Expenditure: \$15,500  
Revenue Reimbursement: \$0  
Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Rainbow Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms

in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP109

**Cannon Park Pavilion**

Expenditure: \$15,500

Revenue Reimbursement: \$0

Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Cannon Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP110

**Vogel Park Pavilion**

Expenditure: \$15,500

Revenue Reimbursement: \$0

Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Vogel Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP111

**Lindsay Park Pavilion**

Expenditure: \$15,500

Revenue Reimbursement: \$0

Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Lindsay Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP112

**Smith Park Pavilion**

Expenditure: \$15,500

Revenue Reimbursement: \$0

Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Smith Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP113

**Lindbergh Park Pavilion**

Expenditure: \$15,500

Revenue Reimbursement: \$0

Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Lindbergh Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP114

**Tiefenthaler Park Pavilion**

Expenditure: \$15,500

Revenue Reimbursement: \$0

Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Tiefenthaler Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP115

**Columbus Park Pavilion**

Expenditure: \$15,500

Revenue Reimbursement: \$0

Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Columbus Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP116

**Mitchell Park Pavilion**

Expenditure: \$15,500

Revenue Reimbursement: \$0

Net County Commitment: \$400 in investment earnings and \$15,100 to be financed by general obligation bonds.

This appropriation will be used for the planning and design of a picnic pavilion at Mitchell Park. The purpose of the pavilion is to create a recreation use picnic facility near the aquatic area. The shelter will be a steel frame and footings with a concrete slab and a wood framed roof with asphalt shingles. The project will consist of the demolition of the wading pool, renovation of the existing restrooms in the wading pool building and construction of a picnic pavilion. The shelter is scheduled to open for use in 2008.

WP128

**O'Donnell Parking Structure – Automated Gating System**

Expenditure: \$155,000

Revenue Reimbursement: \$0

Net County Commitment: \$4,000 in investment earnings and \$151,000 to be financed by general obligation bonds.

This appropriation will be used to purchase and install the “Pay in the Lane Credit Card Express System” automated payment collection technology that will minimize the amount of manual labor required to collect parking fees at the O'Donnell parking structure.

WP447

**South Shore Breakwater**

Expenditure: \$2,187,100

Revenue Reimbursement: \$0

Net County Commitment: \$56,500 in investment earnings and \$2,130,600 to be financed by general obligation bonds.

Funding for this project will be use to complete construction of a breakwater cap for the failing breakwater near South Shore Park. The 2006 appropriation of \$2,361,677 will be combined with the \$2,187,100 appropriation in 2007 to address the remaining cash needs of the construction phase of the project.

**Zoo (WZ)**

WZ014

**Zoo Infrastructure Improvements**

Expenditure: \$949,783

Revenue Reimbursement: \$0

Net County Commitment: \$25,000 in investment earnings and \$924,783 in general obligation bonds.

The appropriation for infrastructure improvements has decreased \$546,061 from \$1,495,844 in 2006 to \$949,783 in 2007. The projects included in this budget include:



<b>Project Name</b>	<b>Project Cost</b>
Asphalt Replacement Lot #4	\$195,000
Anaconda/Iguana Exhibit Renovations	\$ 85,000
Apes of Africa Booster Pump	\$ 12,700
Small Mammal Heating and Electrical Improvements	\$118,125
Barn Renovations	\$ 49,000
South Service Yard Trash Compactor	\$ 32,500
Garage Renovations	\$ 38,500
Peck Welcome Center Restroom Renovation	\$190,500
Australian Outback Picnic Area Restroom	\$ 98,729
Brown Bear Picnic Area Restroom	\$ 98,729
Capitalized Interest	\$ 31,000
<b>Total Cost</b>	<b>\$949,783</b>

WZ017

**Electrical Distribution System Upgrade**

Expenditure: \$746,600

Revenue Reimbursement: \$0

Net County Commitment: \$19,300 in investment earnings and \$727,300 in general obligation bonds.

This appropriation will be used to upgrade the electrical system at the Zoo. The existing system is near maximum capacity. Future projects, such as the entrance atrium, will require additional electrical supply. Also, the upgrade will allow for a redundant back-up electrical supply for most of the Zoo grounds.

**County Grounds (WG)**

WG003

**Water Tower Rehabilitation**

Expenditure: \$784,000

Revenue Reimbursement: \$0

Net County Commitment: \$764,000 to be financed by general obligation bonds and \$20,300 to be financed by investment earnings.

\$784,000 is provided for the critical reconditioning of the west water tower used to provide potable water.

WG010

**CATC "C" Roof Replacement**

Expenditure: \$950,230

Revenue Reimbursement: \$0

Net County Commitment: \$925,630 to be financed by general obligation bonds and \$24,600 to be financed by investment earnings.

\$950,230 is provided for the replacement of the CATC "C" roof which is experiencing leaks and is over 30 years old. This was budgeted in 2005 but transferred to the Courthouse Annex project. Planning and design continued in 2006 and work will occur when funds are available.

## **Department of Health and Human Services (WS)**

### **WS016 Senior Center Infrastructure Improvements**

Expenditure: \$1,088,300

Revenue Reimbursement: \$0

Net County Commitment: \$1,088,300 to be financed with \$1,060,000 in general obligation bonds and \$28,300 in investment earnings.

This appropriation is to preserve and improve infrastructure integrity of county-owned and managed senior centers.

## **Courthouse Complex (WC)**

### **WC014 Courthouse Complex HVAC System**

Expenditure: \$155,000

Revenue Reimbursement: \$0

Net County Commitment: \$155,000 to be financed with \$151,000 in general obligation bonds and \$4,000 in investment earnings.

A series of HVAC infrastructure improvements are planned for the Courthouse Complex, including the replacement of mixing boxes on the second floor and high pressure duct repair.

### **WC023 Courthouse Complex Automation and Access Control Upgrade**

Expenditure: \$313,865

Revenue Reimbursement: \$0

Net County Commitment: \$313,865 to be financed with \$305,765 in general obligation bonds and \$8,100 in investment earnings.

This appropriation will allow for the replacement of equipment that monitors and controls the Courthouse Complex HVAC, fire, and card access security systems. It will allow systems to work independently and avoid shutdowns due to malfunctions of the master controls.

### **WC025 Courthouse Restroom Renovation**

Expenditure: \$155,000

Revenue Reimbursement: \$0

Net County Commitment: \$155,000 to be financed with \$151,000 in general obligation bonds and \$4,000 in investment earnings.

This appropriation will allow for American with Disabilities Act (ADA) upgrades to restrooms located on the north end of the courthouse building on floors four through seven. The ground through third floors already has been completed.

## **House of Correction (WJ)**

### **WJ014 HOC Infrastructure Improvements**

Expenditure: \$80,941

Revenue Reimbursement: \$0

Net County Commitment: to be financed with investment earnings (\$2,200) and general obligation bonds (\$78,741).

This blanket appropriation for infrastructure improvements at the HOC includes:

- Installing wall hung convectors in the north kitchen to provide heat
- Replacing damaged garage doors at the north breezeway
- Repairing/replacing a sewer line

### **WJ031 Laundry Equipment Replacement**

Expenditure: \$235,878

Revenue Reimbursement: \$0

Net County Commitment: to be financed with investment earnings (\$6,100) and general obligation bonds (\$229,778).

Laundry equipment at the HOC needs to be replaced due to the workload associated with an institution of its size. This will be the first year of a three year replacement schedule with a total project cost of \$719,843.

## **Other County Agencies (WO)**

### **WO021 Milwaukee County Public Art Program**

Expenditure: \$106,857

Revenue Reimbursement: \$0

Net County Commitment: \$78,718 to be financed with general obligation bonds, \$26,039 in sales tax revenue and \$2,100 in investment earnings.

Funds have been appropriated for seven eligible public art projects. The six projects include: The Milwaukee River Parkway bridge, the South 76<sup>th</sup> Street to West Forest Home, resurfacing of Rawson Avenue, South 76<sup>th</sup> Street from West Parkview Drive to West Oklahoma Avenue, the South Shore Breakwater, and Jacobus Splash Pad.

### **WO044 Wil-O-Way - Grant Park Floor Replacement**

Expenditure: \$124,000

Revenue Reimbursement: \$0

Net County Commitment: \$3,200 to be financed by investment earnings and \$120,800 in general obligation bonds.

The rubber floor was installed 30 years ago and was not maintained properly over the years. Funding is appropriated for installation of new vinyl flooring as well as removal of the existing rubber floor and the tile floor below, which contains asbestos. The new floor is expected to increase facility rentals.

- WO045 Wil-O-Way – Underwood Roof Replacement**  
Expenditure: \$139,300  
Revenue Reimbursement: \$0  
Net County Commitment: \$6,000 to be financed by sales tax, \$3,500 in investment earnings and \$129,800 in general obligation bonds.
- The roof at Wil-O-Way Underwood is 31 years old and is experiencing infestations of mold, mildew and other bacteria.
- WO112 Fleet Equipment Acquisition**  
Expenditure: \$2,498,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$1,264,500 is to be financed with general obligation bonds, \$1,200,000 in Passenger Facility Charge revenue, and \$33,500 in investment earnings.
- Funding of \$1,256,100 is requested for the replacement of general fleet vehicles in Highway, Parks, Sheriff, District Attorney, Fleet, Zoo, and Behavioral Health Division. Funding of \$1,200,000 is requested for 3000 gallon crash truck for the Airport. Capitalized interest for these projects total \$41,900.
- WO209 Courthouse Communication Equipment Facility**  
Expenditure: \$223,200  
Revenue Reimbursement: \$0  
Net County Commitment: \$5,800 to be financed by investment earnings and \$217,400 to be financed with general obligation bonds.
- In 2005, the communications center was relocated from the Annex to the Courthouse in order to accommodate the demolition of the Annex. The Uninterruptible Power Supply (UPS) needs to be upgraded with the installation of a new generator in the event of a power outage that last longer than 15 minutes. Without this upgrade, the phone system and servers would fail due to lack of power.
- WO411 Mobile Data Computer**  
Expenditure: \$54,600  
Revenue Reimbursement: \$0  
Net County Commitment: to be financed with investment earnings (\$1,500) and general obligation bonds (\$53,100).
- This appropriation represents the fourth and final year of a four-year replacement cycle for mobile data computers for use in squad cars. For 2006, 5 units will be purchased at a cost of \$10,560 each.
- WO423 Security Cameras in CJF**  
Expenditure: \$136,400  
Revenue Reimbursement: \$0  
Net County Commitment: to be financed with investment earnings (\$3,600) and general obligation bonds (\$132,800).

This project adds camera coverage to pre-book, search, booking, court staging, release and transportation staging/changeover.

WO425

**Rebuild Electronics Room in Communication Center**

Expenditure: \$103,400

Revenue Reimbursement: \$0

Net County Commitment: to be financed with investment earnings (\$2,700) and general obligation bonds (\$100,700).

The rebuild is designed to increase accessibility to computer and electronic equipment and expand capacity.

WO500

**War Memorial Center Improvements – HVAC Renovation**

Expenditure: \$1,861,300

Revenue Reimbursement: \$0

Net County Commitment: \$48,100 in investment earnings and \$1,813,200 to be financed with general obligation bonds.

This is the second phase of the HVAC renovation project for the War Memorial Center. Phase two includes demolishing and replacing one boiler and renovating another boiler. Nine air handler units will be demolished and replaced as well. Phase two is expected to be complete by October of 2007.

WO503

**Charles Allis Art Museum – Water Pipe Replacement**

Expenditure: \$276,999

Revenue Reimbursement: \$0

Net County Commitment: \$7,200 in investment earnings and \$269,799 to be financed with general obligation bonds.

The piping needs to be replaced, as it is the original plumbing circa 1910.

WO601

**Countywide Technical Infrastructure Improvements**

Expenditure: \$567,885

Revenue Reimbursement: \$0

Net County Commitment: to be financed with investment earnings (\$14,700) and general obligation bonds (\$553,185).

As part of an ongoing technical infrastructure replacement schedule, 13 servers (6 new and 7 replacements) and 135 switches will be purchased to upgrade service to various departments in the County.

WO606

**Rewire County Facilities**

Expenditure: \$542,500

Revenue Reimbursement: \$0

Net County Commitment: financed with investment earnings (\$14,000) and general obligation bonds (\$528,500).

This project upgrades cabling at the Courthouse to address network failures. It is estimated that 60% of cabling at the Courthouse will need to be replaced.

- WO608 Fiber Backbone**  
Expenditure: \$520,800  
Revenue Reimbursement: \$0  
Net County Commitment: \$520,800 to be financed with investment earnings (\$13,500) and general obligation bonds (\$507,300).
- The current network backbone is insufficient to carry the data, voice, and alarm applications needed by Countywide users. The project aims to increase the number of T1 circuits from two to as much as 100. A lease payment for the lines of \$360,000 is included in the operations budget of IMSD.
- WO609 Centralized Disc to Disc Backup**  
Expenditure: \$149,900  
Revenue Reimbursement: \$0  
Net County Commitment: \$149,900 to be financed with investment earnings (\$3,900) and general obligation bonds (\$146,000).
- Additional backup resources are necessary to increase redundancy and to better position IMSD for disaster recovery. Scalability allows for future expansion.
- WO611 Server Virtualization**  
Expenditure: \$206,700  
Revenue Reimbursement: \$0  
Net County Commitment: \$206,700 to be financed with investment earnings (\$5,400) and general obligation bonds (\$201,300).
- Ten servers will be purchased at a cost of \$180,000 to allow for increased use of virtual servers. Virtual servers allow for simplified server management, improved server utilization and enhances the network.
- WO612 Citrix Application Deployment Pilot**  
Expenditure: \$87,900  
Revenue Reimbursement: \$0  
Net County Commitment: \$87,900 to be financed with investment earnings (\$2,300) and general obligation bonds (\$85,600).
- Six servers and supplemental support services will be purchased to allow for the installation of Citrix software that will increase system application speed for remote users. The software will first be applied to the Emergency Medical Response/Tier system that communicates medical records data between the Criminal Justice Facility and the House of Correction.
- WO870 County Special Assessments**  
Expenditure: \$250,000  
Revenue Reimbursement: \$0  
Net County Commitment: \$250,000 to be financed by sales tax revenue.
- Special assessments are for the installation of improvements such as street pavement, curb and gutter, sidewalks, water main and sewers in lands abutting County lands or facilities.

WO887

**Marcus Center Todd Wehr Theater Electrical/Lighting Upgrade**

Expenditure: \$136,400

Revenue Reimbursement: \$0

Net County Commitment: \$3,600 in investment earnings and \$132,800 to be financed with general obligation bonds.

This appropriation will be fund the removal of old exposed electrical wiring and twenty-year old lighting fixtures in order to improve safety and lighting within the Todd Wehr Theater.

WO888

**Marcus Center Todd Wehr Theater Elevator Modernization**

Expenditure: \$297,600

Revenue Reimbursement: \$0

Net County Commitment: \$7,700 in investment earnings and \$289,900 to be financed with general obligation bonds.

The elevator was installed in 1968 and needs upgrades to accommodate ADA devices and include a fire alarm recall system, per the recommendation of an outside consultant.